

federal register

WEDNESDAY, OCTOBER 20, 1976



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The six-month trial period ended August 6. The program is being continued on a voluntary basis (see OFR notice, 41 FR 32914, August 6, 1976). The following agencies have agreed to remain in the program:

Monday	Tuesday	Wednesday	Thursday	Friday
NRC	USDA/ASCS		NRC	USDA/ASCS
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DOT/OPSO	LABOR		DOT/OPSO	LABOR
	HEW/FDA			HEW/FDA

Documents normally scheduled on a day that will be a Federal holiday will be published the next work day following the holiday.

Comments on this program are still invited. Comments should be submitted to the Day-of-the-Week Program Coordinator, Office of the Federal Register, National Archives and Records Service, General Services Administration, Washington, D.C. 20408.

ATTENTION: For questions, corrections, or requests for information please see the list of telephone numbers appearing on opposite page.

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Army Department—

Special Commission on U.S. Military Academy, W. Point, New York (partially open), 10-27 thru 10-29-76. 44432; 10-8-76

Navy Department—

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National Drinking Water Advisory Council, Boston, Massachusetts (open), 10-27-76. 44457; 10-8-76
Science Advisory Board, Environmental Pollutant Movement and Transformation Advisory Committee, Research Triangle Park, N.C. (open), 10-28-76. 44216; 10-7-76

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Metropolitan Mental Health Problem Review Committee, Alexandria, Va. (partially open), 10-28 and 10-29-76. 38538; 9-10-76

Preclinical Psychopharmacology Research Review Committee, Rockville, Md. (partially open), 10-28 and 10-28-76. 38539; 9-10-76

Disease Control Center—
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Food and Drug Administration—
Biologic Effects of Ultrasound Subcommittee of the Obstetrical and Gynecological Device Classification Panel, Washington, D.C. (open), 10-28-76. 39821; 9-16-76

Endoscopic and Electrosurgical Devices Subcommittee of the Obstetrical and Gynecological Device Classification Panel, Washington, D.C. (open), 10-26-76. 39820; 9-16-76

General and Plastic Surgeon Device Classification Panel, Silver Spring, Md. (open), 10-28-76. 39821; 9-16-76

Review of Allergenic Extracts Panel, Bethesda, Md. (open with restrictions), 10-29 and 10-30-76. 39822; 9-16-76

Review of Antimicrobial Agents Panel, Rockville, Md. (open with restrictions), 10-29 thru 10-30-76. 39822; 9-16-76

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Health Resources Administration—
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Health Care Technology Study Section, Rockville, Md. (partially open), 10-27 thru 10-29-76. 44442; 10-8-76

Health Services Developmental Grants Study Section, Bethesda, Md., and Rockville, Md. (partially open), 10-25 thru 10-27-76. 43755; 10-4-76

Health Services Administration—
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Data Coordinators of the Comprehensive Cancer Centers, Seattle, Washington (open), 10-27-76. 38541; 9-10-76

Cancer Center Directors, Naples, Fla. (open), 10-25 thru 10-27-76. 34668; 8-16-76

Drug Development Committee, Bethesda, Maryland (partially open), 10-27-76. 38543; 9-10-76

Immunotherapy of Cancer: Present Status of Trials in Man, Bethesda, Md. (open), 10-27 thru 10-29-76. 40214; 9-17-76

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Continuing Education for Elementary and Secondary School Science Teachers, Chicago, Ill. (open), 10-26-76. 42710; 9-28-76

Continuing Education for Elementary and Secondary School Science Teachers, Denver, Colo. (open), 10-25-76. 42710; 9-28-76

Continuing Education for Elementary and Secondary School Science Teachers, Washington, D.C. (open), 10-28-76. 42710; 9-28-76

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Division of Science Education Development and Research, Atlanta, Ga. (open), 10-27-76. 41761; 9-23-76

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Seattle District Advisory Council, Seattle, Wash. (open), 10-28-76. 43261; 9-30-76

Sioux Falls District Advisory Council, Sioux Falls, S.D. (open), 10-29-76. 40574; 9-20-76

St. Louis District Advisory Council, St. Louis, Missouri (open), 10-29-76. 44777; 10-12-76

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Office of the Secretary—

Government Advisory Committee on International Book and Library Programs, Washington, D.C. (open), 10-27 and 10-28-76. 41105; 9-21-76

Shipping Coordinating Committee, Subcommittee on Safety of Life at Sea, Washington, D.C. (open), 10-27 and 10-28-76. 43746; 10-4-76

National Committee of the International Telegraph and Telephone Consultative Committee Study Group 5, Washington, D.C. (open), 10-28-76. 43202; 9-30-76

Transnational Enterprises Advisory Committee, Washington, D.C. (open), 10-28-76. 44203; 10-7-76

U.S. National Section of the International Commission for the Conservation of Atlantic Tunas Advisory Committee, Washington, D.C. (open), 10-27-76. 43923; 10-5-76

TRANSPORTATION DEPARTMENT

Federal Aviation Administration—

Radio Technical Commission for Aeronautics (RTCA) Special Committee 130, Washington, D.C. (open), 10-27 and 10-28-76. 44207; 10-7-76

TREASURY DEPARTMENT

Comptroller of Currency—

Advisory Committee on Banking Policies and Practices for the Eighth National Bank Region, New Orleans, La. (open), 10-29-76. 44196; 10-7-76

Regional Advisory Committee on Banking Policies and Practices for the Fifth National Bank Region, Williamsburg, Va. (open), 10-29 and 10-30-76. 41106; 9-21-76

Office of the Secretary—

Debt Management Advisory Committees, Washington, D.C. (closed), 10-26 and 10-27-76. 41438; 9-22-76

VETERANS ADMINISTRATION

Cemeteries and Memorials Advisory Committee, Washington, D.C. (open), 10-29-76. 44080; 10-6-76

Cooperative Studies Evaluation Committee, Washington, D.C. (open), 10-26 and 10-27-76. 35913; 8-25-76

Health Manpower Training Assistance Review Committee, Washington, D.C. (open), 10-29-76. 42711; 9-28-76

List of Public Laws

This is a continuing numerical listing of public bills which have become law, together with the law number, the title, the date of approval, and the U.S. Statutes citation. The list is kept current in the FEDERAL REGISTER and copies of the laws may be obtained from the U.S. Government Printing Office.

S.J. Res. 209..... Pub. Law 94-492
Authorizing the President to proclaim the week of October 10 through 16, 1976, as "Native American Awareness Week"
(Oct. 14, 1976; 90 Stat. 2364)

S.J. Res. 126..... Pub. Law 94-493
Consenting to an extension and renewal of the interstate compact to conserve oil and gas
(Oct. 14, 1976; 90 Stat. 2365)

H.J. Res. 1119..... Pub. Law 94-494
To provide for the convening of the first session of the Ninety-fifth Congress
(Oct. 14, 1976; 90 Stat. 2372)

S. 3441..... Pub. Law 94-495
To authorize the Architect of the Capitol to perform certain work on and maintain the historical sections of the Congressional Cemetery and to study and formulate proposals for renovation and permanent maintenance of such sections by the United States
(Oct. 14, 1976; 90 Stat. 2373)

H.R. 14773..... Pub. Law 94-496
To amend title 10, United States Code, to make certain changes in the Survivor Benefit Plan provided for under subchapter II of chapter 73 of title 10, United States Code, and for other purposes
(Oct. 14, 1976; 90 Stat. 2375)

H.J. Res. 967..... Pub. Law 94-497
Authorizing the acceptance of the Joint Committee on the Library on behalf of the Congress, from the United States Capitol Historical Society, of preliminary design sketches and funds for murals, in the first floor corridors in the House wing of the Capitol, and for other purposes
(Oct. 14, 1976; 90 Stat. 2377)

H.R. 12927..... Pub. Law 94-498
To designate a Federal building and United States Post Office in Jasper, Georgia, as the "Phil M. Landrum Federal Building and Post Office"
(Oct. 14, 1976; 90 Stat. 2379)

H.R. 14886..... Pub. Law 94-499
To revise the appropriation authorization for the Presidential Transition Act of 1963, and for other purposes
(Oct. 14, 1976; 90 Stat. 2380)

H.R. 14503..... Pub. Law 94-500
To name the new post office in Youngstown, Ohio, the "Michael J. Kirwan Post Office"
(Oct. 14, 1976; 90 Stat. 2381)

H.R. 15546..... Pub. Law 94-501
To designate the "Ray J. Madden Post Office Building"
(Oct. 14, 1976; 90 Stat. 2382)

presidential documents

Title 3—The President

PROCLAMATION 4470

Drug Abuse Prevention Week, 1976

By the President of the United States of America

A Proclamation

Drug abuse remains one of the most persistent and serious problems in the United States today. It affects every segment of our society and every region of our country.

We have learned that there is no one answer to the drug problem. Drug abuse prevention requires a balanced approach by law enforcement agencies, research and treatment by all levels of government and full support in the private sector.

We have made great progress in combating drug abuse. With the help of States, local governments and community groups, the Federal government has developed programs to control the drug supply through law enforcement and to reduce the demand for drugs through treatment, research and prevention. The United States has also initiated extensive negotiations with other countries in an attempt to develop international cooperation to control the flow of illicit drug traffic.

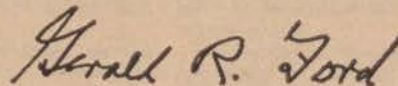
To be truly effective, however, drug abuse prevention must begin at the community level, by the creation of positive environments which reduce the conditions leading to drug abuse. Communities across the country have recognized this need and have initiated programs involving adults and young people working together to improve their communities and to provide services for their people. The keystone for these programs is the creative involvement of youth and the cooperation of adults. The important goal is drug abuse prevention.

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, do hereby designate and proclaim the week beginning October 17, 1976, as Drug Abuse Prevention Week.

I call upon officials at every level of government, upon educators, law enforcement officers, medical professionals and communicators, upon the business community, civic groups and the clergy of every denomination, and upon all who bear the trust of community leadership to rededicate themselves to the prevention of drug abuse in America.

I ask for the creative thinking and planning of all our citizens either in establishing drug abuse programs in communities where none now exist or in reaffirming their support of currently active programs.

IN WITNESS WHEREOF, I have hereunto set my hand this eighteenth day of October, in the year of our Lord nineteen hundred seventy-six, and of the Independence of the United States of America the two hundred and first.



[FR Doc. 76-30978 Filed 10-18-76; 4:44 pm]

rules and regulations

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each month.

Title 7—Agriculture

CHAPTER 1—AGRICULTURAL MARKETING SERVICE (STANDARDS, INSPECTION, MARKETING PRACTICES) DEPARTMENT OF AGRICULTURE

PART 51—FRESH FRUITS, VEGETABLES AND OTHER PRODUCTS (INSPECTION, CERTIFICATION AND STANDARDS)

Regulations; Amendments—Fees and Charges

The Agricultural Marketing Act of 1946 authorizes official inspection and certification of fresh fruits and vegetables and other products.¹ Such inspection and certification is voluntary and is made available only upon request of financially interested parties and upon payment of a fee. The Act requires such fees to be reasonable and, as nearly as possible, to cover the cost of rendering the service.

Statement of considerations leading to amendment of regulations.—The rising costs of maintaining the inspection service in destination markets have made it necessary to increase inspection fees charged for most categories of inspections. The current small lot package fee and base fee for Farmers' stock peanuts, shelled peanuts, pecans or other nuts will remain unchanged.

In order to more nearly recover costs of rendering the service the following adjustments have been made in the inspection schedule of fees and charges applicable in destination markets:

1. For quality and condition inspections: Fees are raised from \$26 to \$28 when more than a half-carlot equivalent is involved, from \$22 to \$24 for a half-carlot equivalent or less, and the maximum fee per carlot equivalent, when more than one kind of product is involved, is raised from \$52 to \$56.

2. For condition only inspections: Fees are raised from \$22 to \$24 when more than a half-carlot equivalent is involved, from \$20 to \$22 for a half-carlot equivalent or less, and the maximum fee per carlot equivalent, when more than one kind of product is involved, is raised from \$44 to \$48.

3. The regular hourly rate, where applicable, is increased from \$13 to \$14.

4. The additional hourly charge for overtime or holiday work is increased from \$6.50 to \$7.00.

¹ None of the requirements in the regulations of this subpart shall excuse failure to comply with any Federal, State, county, or municipal laws applicable to products covered in the regulations in this subpart.

² Among such other products are the following: Raw nuts; Christmas trees and evergreens; flowers and flower bulbs; and onion sets.

Pursuant to the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087 et seq., as amended; 7 U.S.C. 1621 et seq.), Section 51.38 Basis for Charges of the Subpart—Regulations governing inspection, certification and standards for fresh fruits, vegetables and other products is hereby amended to read as follows:

§ 51.38 Basis for charges.²

(a) The fee for each lot of products inspected by an inspector acting exclusively for the Department, except for peanuts, pecans or other nuts, shall be on the following basis:

(i) **Quality and condition inspections:**
(1) \$28.00 for each over one-half carlot equivalent of an individual product up to a full carlot.

(ii) \$24.00 for each half-carlot equivalent or less of an individual product.

(iii) \$56.00 maximum for inspection of each carlot equivalent when more than one kind of product is involved.

(2) **Condition inspection only:**

(i) \$24.00 for each over one-half carlot equivalent of an individual product up to a full carlot.

(ii) \$22.00 for each half-carlot equivalent or less of an individual product.

(iii) \$48.00 maximum for inspection of each carlot equivalent when more than one kind of product is involved.

(3) When any lot involved is in excess of a carlot equivalent, the quantity shall be calculated in terms of carlot and fractions thereof of the customary carlot quantity for such carlots and carlot inspection fee rates: *Provided*, That such fractions shall be calculated in terms of fourths, or next higher fourths.

(b) The base fee for peanuts (shelled), pecans or other nuts shall be 90 cents per ton: *Provided*, That the minimum fee shall be \$12.00 per lot, the different grades and varieties of peanuts shall be considered separate lots, and the fee for Farmers' Stock peanuts (unshelled) shall be \$2.00 per ton.

(c) When inspections are made and the products inspected cannot readily be calculated in terms of carlots, or when the services rendered are such that a charge on the carlot or other unit basis would be inadequate or inequitable, charges for inspections may be based on the time consumed by the inspector in connection with such inspections, computed at the rate of \$14.00 per hour.

(d) Notwithstanding the fee rates prescribed in the preceding paragraphs, fees and charges for the inspection of small lots where detailed reports of inspection

² Carlot equivalent shall be based on the customary quantity of a product loaded in common carrier rail cars.

are not normally required,⁴ the following rates may be applied:

1 to 25 packages inclusive.....	\$4.00
26 to 50 packages inclusive.....	5.00
51 to 150 packages inclusive.....	7.00
151 to 1/2 customary carlot equivalent..	11.00

(e) Whenever inspections are performed at the request of the applicant during periods which are outside the inspector's regular scheduled workweek, a charge for overtime or holiday work shall be made at the rate of \$7.00 per hour or portion thereof in addition to the regular commercial lot or hourly fees specified in this subpart. Holidays are those specified in Title 5 U.S.C., section 6103 (a).

Notice of proposed rule making, public procedure thereon, and the postponement of the effective time of this action later than October 24, 1976 (5 U.S.C. 553) are impracticable, unnecessary, and contrary to the public interest in that (1) the Agricultural Marketing Act of 1946 provides that the fees charged shall be reasonable and, as nearly as possible, cover the cost of the service rendered; (2) the increases in fee rates set forth herein are necessary to more nearly cover such cost including, but not limited to, Federal employee salary adjustments; (3) it is imperative that these increases in fee rates become effective in time to cover such increased costs; and (4) additional time is not required by users of the inspection service to comply with this amendment.

(Secs. 203, 205, 60 Stat. 1087, as amended, 1090 as amended, 7 U.S.C. 1622, 1624.)

Dated October 14, 1976, to become effective at 12:01 a.m., October 24, 1976.

DONALD E. WILKINSON,
Administrator.

[FR Doc. 76-30719 Filed 10-19-76; 8:45 am]

PART 52—PROCESSED FRUITS AND VEGETABLES, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

Regulations Governing Inspection and Certification

The Agricultural Marketing Act of 1946 authorizes official inspection and certification of processed fruits and vegetables, processed products thereof, and certain other processed food products. Such inspection and certification is voluntary and is made available upon request of financially interested parties and upon payment of a fee. The Act requires such fees to be reasonable and, as nearly as

⁴ For example, the inspection of small lots for export to Canada or delivery to private and public institutions.

possible, to cover the cost of rendering the service.

STATEMENT OF CONSIDERATION LEADING TO AMENDMENT OF REGULATIONS

The rising cost of maintaining the inspection service has made it necessary to adjust inspection fees. These adjustments will compensate for 1976 increases in Government employee salaries as authorized by Congress, as well as increased personnel benefits resulting therefrom.

NOTE.—Compliance with the provisions of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act, or with applicable State laws and regulations.

Accordingly, §§ 52.42 and 52.52—charges for inspection services on a contract basis—are being amended to recover increased costs.

Pursuant to the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087 et seq., as amended; 7 U.S.C. 1621-1627), §§ 52.42 and 52.52 (c) (1) and (2); and (d) (1) are hereby amended to read as follows:

§ 52.42 Schedule of fees.

Unless otherwise provided in a written agreement between the applicant and the Administrator, the fee for any inspection service performed under the regulations in this part, including analyses specified in § 52.47, shall be at the rate of \$18.45 per hour.

§ 52.52 Charges for inspection services on a contract basis.

(c) Charges for year-round in-plant inspection service on a contract basis will be billed to the applicant at least once each 28 days for all hours worked with a minimum of 40 hours per week, holiday pay and night differential for each inspection assigned to perform the inspection services in accordance with the following schedules:

(1) For personnel assigned on a year-round basis:

Each inspector—\$14.30 per hour

(2) For personnel assigned on less than a year-round basis:

Each inspector—\$16.35 per hour

Each subordinate inspector on the same shift with an inspector—\$12.10 per hour

(d) Charges for less than year-round in-plant inspection services on a contract basis will be billed to the applicant at least once each 28 days for all hours with a minimum of 40 hours per week, holiday pay and night differential for each inspection assigned to perform the inspection services in accordance with the following schedules:

(1) Each inspector—\$20.55 per hour

Notice of proposed rulemaking, public procedure thereon, and the postponement of the effective time of this action later than October 24, 1976, (5 U.S.C. 553), are impracticable, unnecessary, and contrary to the public interest in that (1) the Agricultural Marketing Act of 1946 pro-

vides that the fees charged shall be reasonable and, as nearly as possible, cover the cost of the service rendered, (2) the increases in fee rates set forth herein are necessary to more nearly cover such cost including, but not limited to, Federal employee salary adjustments, and (3) additional time is not required by the users of the inspection service to comply with this amendment.

(Secs. 203, 205, 60 Stat. 1087, as amended, 1090, as amended, (7 U.S.C. 1622, 1624).)

Dated to become effective at 12:01 a.m., October 24, 1976.

Dated: October 14, 1976.

DONALD E. WILKINSON,
Administrator.

[FR Doc. 76-30720 Filed 10-19-76; 8:45 am]

CHAPTER IX—AGRICULTURAL MARKETING SERVICE (MARKETING AGREEMENTS AND ORDERS; FRUITS, VEGETABLES, NUTS), DEPARTMENT OF AGRICULTURE

PART 917—FRESH PEARS, PLUMS, AND PEACHES GROWN IN CALIFORNIA

§ 917.440 Pear Regulation 6, Correction

In FEDERAL REGISTER Doc. 76-19970 appearing at page 28287 of the issue of July 9, 1976; in FEDERAL REGISTER Doc. 76-21141 appearing at page 30027 of the issue of July 21, 1976; and in FEDERAL REGISTER Doc. 76-23943 appearing at page 34762 of the issue of August 17, 1976, the citation of each such document is corrected to read "§ 917.439" as Pear Regulation 6 revises the provisions set forth in § 917.439.

Dated: October 15, 1976.

FLOYD F. HEDLUND,
Director, Fruit and Vegetable
Division, Agricultural Market-
ing Service.

[FR Doc. 76-30721 Filed 10-19-76; 8:45 am]

CHAPTER XIV—COMMODITY CREDIT CORPORATION, DEPARTMENT OF AGRICULTURE

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[Amd. 1]

PART 1446—PEANUTS

1974 and Subsequent Crop Peanut Warehouse Storage Loans 1976-Crop Peanut Warehouse Storage Loan Supplement

DAMAGED KERNEL DISCOUNT

The regulations issued by Commodity Credit Corporation and published on September 20, 1976, (41 FR 40471), which set forth an interim damage discount schedule for Runner type peanuts and another damage discount schedule for all other types of peanuts with respect to 1976 crop is hereby amended to delete the interim damage discount for Runner type peanuts and make the interim damage discount for all other types applicable to Runner type peanuts as well as other types.

Notwithstanding the effective date of this amendment this amended damage

discount schedule shall be applicable to all 1976-crop peanuts which are pledged as loan collateral pursuant to the terms and conditions of this subpart.

Since this notice amends the terms and conditions of the 1976-crop peanut warehouse storage loan program pertaining to the damage discount schedule for Runner type peanuts and because 1976-crop peanuts are currently being harvested, it is hereby found that compliance with the notice, public procedure, and 30-day effective date requirements of 5 U.S.C. 553 is unnecessary and contrary to the public interest. Accordingly, this amendment shall become effective on October 20, 1976.

In 1446.12, paragraph (e) is revised to read as follows:

§ 1446.12 Calculation of support values.

(e) *Damaged kernel discount.* For all types of peanuts, the discount per ton for damaged kernels shall be as follows:

Percent damaged kernels:	Discount
1	None
2	\$3.40
3	7.00
4	11.00
5	25.00
6	40.00
7	60.00
8-9	80.00
10 and over	100.00

Effective date: October 20, 1976.
Signed at Washington, D.C., on October 12, 1976.

SEELEY G. LODWICK,
Acting Executive Vice President,
Commodity Credit Corporation.

[FR Doc. 76-30799 Filed 10-19-76; 8:45 am]

Title 14—Aeronautics and Space CHAPTER II—CIVIL AERONAUTICS BOARD

SUBCHAPTER F—POLICY STATEMENTS

[Reg. PS-72, Amdt. 51]

PART 399—STATEMENTS OF GENERAL POLICY

Public Release of Board Decisions in Cases Where the Action of Board is Subject to Review or Approval of President

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., October 13, 1976.

On July 9, 1976, the Board adopted PS-69, a statement of general policy relating to the public release of Board decisions in cases where the action of the Board is subject to Presidential review or approval. That policy statement indicated, among other things, that the Board would, in accordance with the terms of Executive Order 11920, await timely notice from the Assistant to the President for National Security Affairs that the decision could be released to the public, and that the decision would thereafter be released "as promptly as possible but no later than the tenth working day following submission of such decision to the President." Some additional time is necessary to print and distribute decisions to all interested persons

at the same time and the Board's experience has been that such printing and distribution can be accomplished quickly—often within 24 hours.

By decision filed on August 19, 1976, the United States District Court for the District of Columbia reviewed the Board's policy statement. The court recognized that prompt issuance of a Board decision cannot always mean immediate release. Nonetheless, the court concluded that the Board should

* * * provide one copy of its decision for public inspection and copying at a public place within a reasonable time necessary to prepare a releasable copy, refer requestors to that copy until the decision is printed and processed for publication on a mass distribution basis, and inform requestors that upon completion of that process an individual copy will either be mailed or made available to them * * *

We shall follow the court's recommended procedure and amend our policy statement to reflect this change. Since the amendment relates solely to matters of agency procedure, notice and public procedures hereon are not required. The amendments shall become effective immediately.

Accordingly, the Board hereby amends Part 399 of the Statements of General Policy (14 CFR Part 399), effective October 13, 1976, as follows:

Amend § 399.101 to read as follows:

§ 399.101 Public release of Board decisions in cases where the action of the Board is subject to the review of approval or the President.

(a) By Executive Order 11920, 41 F.R. 23665 (June 11, 1976), effective July 11, 1976, the President has authorized the issuance for public inspection of decisions by the Board in cases where the action of the Board is subject to the review or approval of the President in accordance with section 801 of the Federal Aviation Act. In the interest of national security, and in order to allow for consideration of appropriate action under Executive Order 11652, Executive Order 11920 provides that decisions shall be withheld from public disclosure for five days after submission to the President but may be released on or after the sixth day following receipt by the President as to all unclassified portions of the text if the Board is not notified by the Assistant to the President for National Security Affairs or his designee that all or part of the decision shall be withheld from public disclosure.

(b) It is the policy of the Board to release to the public all decisions by the Board in section 801 cases as promptly as possible following submission of such decision to the President. Upon receipt of notice by the Assistant to the President for National Security Affairs as required by the Executive Order, the Board shall promptly provide one copy for public inspection in the Docket Section and one copy for public inspection and copying in the Public Reference Room, and shall promptly thereafter print and process the decision for more general distribution in accordance with Board procedures. Where the Board is required to withhold

portions of the text of its decision it shall make public those portions of its decision which may be publicly released. Where the Board is required to withhold public release of its decision in its entirety it shall nonetheless publicly indicate that its decision has been transmitted to the President. The Board shall not publicly indicate that its decision has been transmitted to the President in those cases in which the Assistant to the President for National Security Affairs or his designee determines that classification of the existence of the decision is appropriate and so informs the Board. The provisions are also applicable to decisions submitted to the President for review pursuant to section 801(b) of the Act.

(Secs. 204, 801, 1001, 72 Stat. 743, 782, 788, (49 U.S.C. 1324, 1461, 1481, 5 U.S.C. 552).)

By the Civil Aeronautics Board.

PHYLLIS T. KAYLOR,
Secretary.

[FR Doc.76-30795 Filed 10-19-76;8:45 am]

Title 20—Employees' Benefits

CHAPTER III—SOCIAL SECURITY ADMINISTRATION DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

[Regulations No. 5, further amended]

PART 405—FEDERAL HEALTH INSURANCE FOR THE AGED AND DISABLED

Limitations on Recognition for Equity Capital Purposes of Amounts Paid in Excess of Fair Market Value for Tangible Assets Acquired Prior to August 1970

On June 9, 1975, there was published in the FEDERAL REGISTER (40 FR 24529) a Notice of Proposed Rule Making with a proposed amendment to Subpart D of Regulations No. 5 (20 CFR Part 405) regarding limitations on recognition for equity capital purposes of amounts paid in excess of fair market value for tangible assets acquired prior to August 1970. Current regulations permit unlimited recognition of goodwill for assets acquired prior to August 1970. This unlimited recognition of goodwill is contrary to present accounting opinion that goodwill has a limited life. It is also not in accordance with the Social Security Administration's position that goodwill is not related to patient care. An amendment to the regulations is, therefore, needed. The amendment will permit a proprietary provider, with respect to assets purchased prior to August 1970, to include goodwill in its computation of the return on equity capital after July 1970 and until the sum of the rates of allowable return on equity capital for months after July 1970 equals 100 percent. It will result in proprietary providers' including in their computation of return on equity an amount which is at least equal to the amount paid for goodwill. The amendment will have no effect on the individual health insurance beneficiary. The amendment shall be effective November 19, 1976.

Initially, Medicare principles of reimbursement for providers' costs included goodwill as a part of equity capital for purposes of computing a return on equity

allowed to proprietary providers. Upon reexamination of this issue, it was determined that goodwill is not an asset used to provide patient care and, therefore, should not give rise to an allowable cost. The regulations were, therefore, amended to provide that, with respect to acquisitions occurring on or after August 1, 1970 (the date such regulations were published), the excess over fair market value or current reproduction cost, whichever is lower, could not be included in equity capital. However, current regulations permit unlimited recognition of goodwill for assets acquired prior to August 1970. This continued recognition of goodwill as an allowable cost is counter to the determination that goodwill is not related to patient care and, thus, ought not to be reimbursed by the health insurance (Medicare) trust funds. Also, most accounting authorities recognize that goodwill has a limited life rather than an unlimited life. An amendment to the regulations is necessary, therefore, to provide for a realistic limitation on the period for which goodwill may be recognized as an allowable cost for which the health insurance program will reimburse a provider.

Interested parties were given 30 days from the date of publication of the Notice of Proposed Rule Making in which to submit data, views, or arguments thereon. A small number of public comments were received as a result of the Notice of Proposed Rule Making. Since these amendments were published with a Notice of Proposed Rule Making and over a year has been spent in analyzing the comments and developing these final amendments, the spirit and intent of the Secretary's policies regarding development of regulations, announced on July 25, 1976, have been complied with. Further participation by the public appears to be unwarranted. Comments and suggestions received with regard to the proposed amendment, and our responses thereto, are summarized below.

1. *Retroactivity.* Several provider organizations commented that they believe the proposed regulation to be a retroactive limitation on reimbursement, and that the rules in effect at the time the acquisition was made should continue to be applied. Neither 20 CFR 405.429, as originally published nor section 1214 of the Provider Reimbursement Manual, published in November 1968, which was the first mention of the inclusion of goodwill in the computation of equity capital, stated any time limitation after which such goodwill could no longer be claimed in such computation. Nor did either state that there was to be an unlimited life to such inclusion.

Most accounting authorities recognize that goodwill has a limited life, and, therefore, an amendment to the regulations is necessary to provide for a realistic and equitable limitation of the time for which Medicare will recognize goodwill as an allowable cost. Additionally, to assure equity to each provider, the method for calculating the limitation permits such providers to include goodwill in the computation of the re-

turn on equity capital until the provider has had an opportunity to receive return for the health insurance program's full share of the goodwill purchased. The amendment does not affect past allowances for return on equity capital, nor does it authorize adjustment of such past reimbursement to exclude from such allowances amounts attributable to goodwill. Rather, it stipulates that future allowances for goodwill be limited and that computation of the limitation on such amounts takes into account the return on equity capital allowed since 1970. The amendment does not affect past allowances for return on equity capital, nor does it authorize the reopening of cost reports because of the inclusion of goodwill in past allowances for equity capital. Under this amendment, recognition of goodwill in the computation of the return on equity capital would end between 1978 and 1982, depending on future rates of interest. Thus, the amendment has no retroactive effect.

2. *Accounting Principles Board Opinion No. 17.* Several comments were received suggesting that the health insurance program, in establishing a limited life for goodwill, was not properly following the principles expressed in Accounting Principles Board Opinion (APBO) No. 17, published in August 1970. The comments pointed out that this opinion is applicable only for intangible assets acquired after October 1970. Therefore, they contend, a limited life for goodwill is contrary to the generally accepted accounting principles effective prior to publication of APBO No. 17.

First, generally accepted accounting principles are applicable to Medicare cost determinations only when a cost situation is not covered by 20 CFR Part 405 or the Provider Reimbursement Manual. It is only in the absence of health insurance program policy that generally accepted accounting principles should be followed. Because such program policy is now being promulgated on this issue, generally accepted accounting principles are not applicable.

Furthermore, we conclude that the amendment is not contrary to the "generally accepted accounting principles" applicable prior to publication of APBO No. 17. The goal of APBO No. 17 was to provide for a solution to the profusion of different accounting treatments of goodwill used prior to the publication of the opinion, by setting minimum and maximum amortization periods. The opinion stated "the end of the useful life must necessarily be set arbitrarily at some point or within some range of time for accounting purposes" (paragraph 23). APBO No. 17 emphasizes the lack of uniformity in accounting for goodwill prior to its publication. For example, paragraph 12 of APBO No. 17 states, in part, "The cost of (goodwill) may be treated in either of two ways: (1) the cost may be retained until a limit on the term of existence or a loss of value is evident * * * or (2) the cost may be amortized at the discretion of management by charges to income

even though no present evidence points to a limited term of existence or a loss of value." There is no mention of a limitless existence of goodwill. The opinion further states in paragraph 14 that "Present accounting for goodwill * * * is often criticized because alternative methods of accounting for costs are acceptable. Some companies amortize the cost of (goodwill) over a short arbitrary period * * *, while others retain the cost as an asset until evidence shows a loss of value * * *."

3. *Goodwill as an Allowable Cost.* The comment was received that the cost reflected in goodwill is part of the cost of acquiring an existing business, and the health insurance program should recognize this cost as a cost of providing services.

This issue was previously addressed when an amendment to 20 CFR 405.429 was published in the FEDERAL REGISTER of August 1, 1970 (35 FR 12330) providing that goodwill acquired after July 1970 could not be included as an element in computing equity capital. This policy decision was based on the belief that goodwill is generally considered to be the attainment of profits in excess of a normal rate of return, and, as the attainment of excess profits is not related to the delivery of needed health services, reimbursement for goodwill is not permitted by statute. However, as previously noted, the health insurance program is permitting the provider which acquired assets prior to August 1970 to include goodwill in its computation of return on equity capital until the hospital insurance program has reimbursed its proportionate share of the total cost of the goodwill.

Various editorial changes have been made in the proposed amendment in the interest of clarity. The definition of "proprietary providers" published in proposed form in § 405.429(b) (2) has been redesignated as paragraph (a) (2). Paragraphs (b) (3)-(b) (5) have been redesignated, and the example which was included in paragraph (b) (4) when published with the Notice of Proposed Rule Making has been included in paragraph (b) (5) (which has been redesignated as paragraph (b) (4)).

Accordingly, with these changes, the amendments are adopted as proposed and are set forth below.

Effective date: November 19, 1976.

(Secs. 1102, 1815, 1861(v) (1) (A), and 1871 of the Social Security Act, 49 Stat. 647, as amended, 79 Stat. 297, as amended, 79 Stat. 322, as amended, 79 Stat. 331; 42 U.S.C. 1302, 1395g, 1395x(v) (1) (A), and 1395hh.)

(Catalog of Federal Domestic Assistance Program No. 13.800, Health Insurance for the Aged—Hospital Insurance.)

Dated: September 10, 1976.

J. B. CARDWELL,
Commissioner of
Social Security.

Approved: October 14, 1976.

MARJORIE LYNCH,
Acting Secretary of Health, Edu-
cation, and Welfare.

Part 405 of Chapter III of Title 20 of the Code of Federal Regulations, as amended, is further amended by revising § 405.429 to read as follows:

§ 405.429 Return on equity capital of proprietary providers.

(a) *Principle.* (1) A reasonable return on equity capital invested and used in the provision of patient care is allowable as an element of the reasonable cost of covered services furnished to beneficiaries by proprietary providers. The amount allowable on an annual basis is determined by applying to the provider's equity capital a percentage equal to one and one-half times the average of the rates of interest on special issues of public debt obligations issued to the Federal Hospital Insurance Trust Fund for each of the months during the provider's reporting period or portion thereof covered under the program.

(2) For the purposes of this subpart, the term "proprietary providers" is intended to distinguish providers, whether sole proprietorships, partnerships, or corporations, that are organized and operated with the expectation of earning profit for the owners, from other providers that are organized and operated on a nonprofit basis.

(b) *Application.* (1) *Computation of equity capital.* Proprietary providers generally do not receive public contributions and assistance of Federal and other governmental programs in financing capital expenditures. Proprietary institutions historically have financed capital expenditures through funds invested by owners in the expectation of earning a return. A return on investment, therefore, is needed to avoid withdrawal of capital and to attract additional capital needed for expansion. For purposes of computing the allowable return, the provider's equity capital means:

(i) The provider's investment in plant, property, and equipment related to patient care (net of depreciation) and funds deposited by a provider who leases plant, property, or equipment related to patient care and is required by the terms of the lease to deposit such funds (net of noncurrent debt related to such investment or deposited funds), and

(ii) Net working capital maintained for necessary and proper operation of patient care activities. 1. However, debt representing loans from partners, stockholders, or related organizations on which interest payments would be allowable as costs but for the provisions of § 405.419(b) (3) (ii), is not subtracted in computing the amount of equity capital as defined in paragraph (b) (1) (i) of this section and this paragraph (b) (1) (ii), in order that the proceeds from such loans be treated as a part of the provider's equity capital. In computing the amount of equity capital upon which a return is allowable, investment in facilities is recognized on the basis of the historical cost, or other basis, used for depreciation and other purposes under the health insurance program.

(2) *Acquisitions after July 1970.* With respect to a facility or any tangible assets of a facility acquired on or after August

1, 1970, the excess of the price paid for such facility or such tangible assets over the historical cost, as defined in § 405.415 (b), or the cost basis, as determined under § 405.415(g) (whichever is appropriate), is not includable in equity capital, and loans made to finance such excess portion of the cost of such acquisitions (see § 405.419(d)) are excluded in computing equity capital.

(3) *Acquisitions prior to August 1970.* With respect to a facility or any tangible assets of a facility acquired before August 1970, the excess of the price paid for such facility or assets over the fair market value of tangible assets at the time of purchase is includable in equity capital to the extent that it is reasonable except that the cumulative allowable return for such excess shall not exceed 100 percent of such excess. For purposes of this section, the cumulative allowable return means the sum of the allowable rate of return on equity capital for all months starting from August 1, 1970. For example, if the allowable rates of return on equity capital for a provider are 9 percent for the first year (and such year started August 1, 1970), 8.5 percent for the second year, and 10.5 percent for the third year, the cumulative allowable return at the end of the third year would be 28 percent. After the cumulative allowable return equals 100 percent, the inclusion in equity capital of the excess shall no longer be allowable.

(4) *Computation of return of equity capital.* For purposes of computing the allowable return, the amount of equity capital is the average investment during the reporting period. The rate of return allowed, as derived from time to time based upon interest rates in accordance with this principle, is determined by the Social Security Administration and communicated through intermediaries. Return on investment as an element of allowable costs is subject to apportionment in the same manner as other elements of allowable costs.

Example of calculation of cumulative allowable return. X purchased a provider on July 1, 1969, paying \$100,000 in excess of the fair market value of the assets acquired. Provider X files its cost report on a calendar-year basis. The allowable rate of return on equity capital for August 1, 1970-December 31, 1970 (4.538 percent), is obtained by multiplying the allowable rate of return for the period ending December 31, 1970 (10.891) by 5/12 (a fraction of which the numerator is the number of months from August 1, 1970, to the end of the cost-reporting period and the denominator is the number of months in the cost-reporting period). The cumulative allowable return for Provider X for the period August 1, 1970-December 31, 1973 (32.367 percent) is computed as follows:

Cost reporting year ending:	Rate of return on equity capital (percent)
Dec. 31, 1970	4.538
Dec. 31, 1971	8.969
Dec. 31, 1972	8.891
Dec. 31, 1973	9.969
Total	32.367

(The \$100,000 paid in excess of the fair market value of the assets acquired is included in equity capital until the sum of the allowable rate of return on equity capital equals 100 percent. Of course, no portion of the \$100,000 may be amortized as an allowable cost or is otherwise allowable for any program reimbursement purposes other than for determining the provider's equity capital.)

(5) *Unapproved capital expenditures.* Effective with respect to any capital expenditure, the obligation for which is incurred after December 31, 1972, or after the effective date of an agreement executed between a State and the Secretary pursuant to section 1122 of the Act, whichever date is later (and subject to the exceptions in § 405.435(c)), a provider's investment in plant, property, and equipment related to patient care, and funds deposited by a provider which leases plant, property, or equipment related to patient care which are found to be expenditures which have not been submitted to the designated planning agency as required or have been determined to be inconsistent with health facility planning requirements (see 42 CFR 100.101-100.110) are not included in the provider's equity capital for computing the allowance for a reasonable return on equity capital.

[FR Doc. 76-30841 Filed 10-19-76; 8:45 am]

Title 23—Highways

CHAPTER I—FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

SUBCHAPTER C—CIVIL RIGHTS

PART 230—EXTERNAL PROGRAMS

Equal Employment Opportunity Programs; State Highway Agency Responsibilities, Amendment

• *Purpose.* The purpose of this document is to amend 23 CFR Part 230, Subpart C to conform to the standard racial/ethnic categories. •

On July 9, 1976, a document was published in the FEDERAL REGISTER (41 FR 28270) setting forth State highway agency responsibilities relative to its internal and external equal employment opportunity programs. 23 CFR 230.305 (c) and (d) are being amended to reflect changes made in the Equal Employment Opportunity Commission, State and Lo-

cal Government Information [EEO-4] Form to conform with the standard race/ethnic categories. These changes are also reflected in the revised EEO-4 Form, located in Appendix A Part II, which is republished herein.

The matters affected relate to benefits or contracts within the purview of 5 U.S.C. 553(a) (2), thus general notice of proposed rulemaking is not required.

Effective date: October 26, 1976.

Issued on: October 8, 1976.

NORBERT T. TIEMANN,
Federal Highway Administrator.

1. In § 230.305, paragraphs (c) and (d) are revised to read as follows:

§ 230.305 Definitions.

(c) *Minority Groups*—An employee may be included in the minority group to which he or she appears to belong, or is regarded in the community as belonging. As defined by U.S. Federal agencies for employment purposes, minority group persons in the U.S. are identified as Blacks (not of Hispanic origin), Hispanics, Asian or Pacific Islanders, and American Indians or Alaskan Natives.

(d) *Racial/Ethnic Identification*—For the purpose of this regulation and any accompanying report requirements, an employee may be included in the group to which he or she appears to belong, identifies with, or is regarded in the community as belonging. However, no person should be counted in more than one racial/ethnic category. The following group categories will be used:

(1) The category "White (not of Hispanic origin)": All persons having origins in any of the original peoples of Europe, North Africa, the Middle East, or the Indian Subcontinent.

(2) The category "Black (not of Hispanic origin)": All persons having origins in any of the Black racial groups.

(3) The category "Hispanic": All persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

(4) The category "Asian or Pacific Islanders": All persons having origins in any of the original peoples of the Far East, Southeast Asia, or the Pacific Islands. This area includes, for example, China, Japan, Korea, the Philippine Islands, and Samoa.

(5) The category "American Indian or Alaskan Native": All persons having origins in any of the original peoples of North America.

2. In Part II of Appendix A to Subpart C, the form EEO-4 is revised as follows:

RULES AND REGULATIONS

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D. EMPLOYMENT DATA AS OF JUNE 30 (Do not include elected/appointed officials. Blanks will be counted as zero)												
1. FULL TIME EMPLOYEES (Temporary employees not included)												
JOB CATEGORIES	ANNUAL SALARY \$ in Thousands 000s	TOTAL (COLUMNS B-K) A	MALE					FEMALE				
			NON-HISPANIC ORIGIN		HISPANIC D	ASIAN OR PACIFIC ISLANDER E	AMERICAN INDIAN OR ALASKAN NATIVE F	NON-HISPANIC ORIGIN		HISPANIC I	ASIAN OR PACIFIC ISLANDER J	AMERICAN INDIAN OR ALASKAN NATIVE K
			WHITE B	BLACK C				WHITE G	BLACK H			
OFFICIALS/ ADMINISTRATORS	1. \$ 0.1-3.9											
	2. 4.0-5.9											
	3. 6.0-7.9											
	4. 8.0-9.9											
	5. 10.0-12.9											
	6. 13.0-15.9											
	7. 16.0-24.9											
	8. 25.0 PLUS											
PROFESSIONALS	9. 0.1-3.9											
	10. 4.0-5.9											
	11. 6.0-7.9											
	12. 8.0-9.9											
	13. 10.0-12.9											
	14. 13.0-15.9											
	15. 16.0-24.9											
	16. 25.0 PLUS											
TECHNICIANS	17. 0.1-3.9											
	18. 4.0-5.9											
	19. 6.0-7.9											
	20. 8.0-9.9											
	21. 10.0-12.9											
	22. 13.0-15.9											
	23. 16.0-24.9											
	24. 25.0 PLUS											
PROTECTIVE SERVICE	25. 0.1-3.9											
	26. 4.0-5.9											
	27. 6.0-7.9											
	28. 8.0-9.9											
	29. 10.0-12.9											
	30. 13.0-15.9											
	31. 16.0-24.9											
	32. 25.0 PLUS											
PARA- PROFESSIONALS	33. 0.1-3.9											
	34. 4.0-5.9											
	35. 6.0-7.9											
	36. 8.0-9.9											
	37. 10.0-12.9											
	38. 13.0-15.9											
	39. 16.0-24.9											
	40. 25.0 PLUS											
OFFICE/ CLERICAL	41. 0.1-3.9											
	42. 4.0-5.9											
	43. 6.0-7.9											
	44. 8.0-9.9											
	45. 10.0-12.9											
	46. 13.0-15.9											
	47. 16.0-24.9											
	48. \$ 25.0 PLUS											

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D. EMPLOYMENT DATA AS OF JUNE 30 (Cont.) (Do not include elected/appointed officials. Blanks will be counted as zero)												
1. FULL TIME EMPLOYEES (Temporary employees not included)												
JOB CATEGORIES	ANNUAL SALARY (in thousands 000)	TOTAL (COLUMNS B-K) A	MALE						FEMALE			
			NON-HISPANIC ORIGIN		HISPANIC	ASIAN OR PACIFIC ISLANDER	AMERICAN INDIAN OR ALASKAN NATIVE	NON-HISPANIC ORIGIN	HISPANIC	ASIAN OR PACIFIC ISLANDER	AMERICAN INDIAN OR ALASKAN NATIVE	
			WHITE	BLACK				WHITE	BLACK			
			B	C	D	E	F	G	H	I	J	K
SKILLED CRAFT	49. \$ 0.1-3.9											
	50. 4.0-5.9											
	51. 6.0-7.9											
	52. 8.0-9.9											
	53. 10.0-12.9											
	54. 13.0-15.9											
	55. 16.0-24.9											
SERVICE/ MAINTENANCE	56. 25.0 PLUS											
	57. 0.1-3.9											
	58. 4.0-5.9											
	59. 6.0-7.9											
	60. 8.0-9.9											
	61. 10.0-12.9											
	62. 13.0-15.9											
TOTAL FULL TIME	63. 16.0-24.9											
	64. \$ 25.0 PLUS											
2. OTHER THAN FULL TIME EMPLOYEES (Include temporary employees)												
3. NEW HIRES DURING FISCAL YEAR Permanent full time only JULY 1 - JUNE 30												
4. TOTAL OTHER THAN FULL TIME												
5. TOTAL NEW HIRES												

[FR Doc.76-30526 Filed 10-19-76;8:45 am]

Title 39—Postal Service

CHAPTER I—U.S. POSTAL SERVICE

PART 111—GENERAL INFORMATION ON POSTAL SERVICE

Mail Classification Changes Implementing Regulations
Correction

In FR Doc. 76-19627 appearing at page 28478 in the FEDERAL REGISTER of Monday, July 12, 1976 the following changes should be made:

1. On page 28482, in the first column, in paragraph .233, the fourth line from the bottom should read "permit. The permit holder guarantees".

2. On page 28488, second column, in paragraph .262, the first word in the second line should read "sent".

Title 41—Public Contracts and Property Management

CHAPTER 1—FEDERAL PROCUREMENT REGULATIONS

[FPR Amendment 171]

PART 1-3—PROCUREMENT BY NEGOTIATION

Subpart 1-3.2—Circumstances Permitting Negotiation

NEGOTIATION AUTHORITY

This amendment of the Federal Procurement Regulations makes changes in § 1-3.203 which authorizes the negotiation of small purchases; i.e., purchases not in excess of \$10,000. The changes provide that small purchases which have been set aside for small business shall

specify the authority to negotiate in §§ 1-3.201 (for unilateral set-asides) or 1-3.215 (for joint set-asides), rather than the authority in § 1-3.203. The Office of Federal Procurement Policy has indicated that it prefers this arrangement. In the interest of uniformity with the Armed Services Procurement Regulation (AS PR), the changes also provide that the authority to negotiate small purchases shall not be cited when negotiation is authorized by § 1-3.206 which pertains to purchases outside the United States. In addition, when negotiation is initiated under an authority other than in § 1-3.203, that authority shall continue to be cited even though the resulting contracts are in amounts of not more than \$10,000.

Section 1-3.203 is amended to change paragraphs (a) and (b), as follows:

§ 1-3.203 Purchases not in excess of \$10,000.

(a) Application. Contracts or purchases aggregating not more than \$10,000 shall be made in accordance with Subpart 1-3.6, and § 1-18.302 in the case of certain construction contracts.

(b) Limitations. The authority in this § 1-3.203 shall not be used when negotiation is authorized by § 1-3.206. However, where small business set-asides are made, the authority in § 1-3.201 (for unilateral set-asides) or in § 1-3.215 (for joint set-asides) shall be cited. When negotiations have been initiated under the authority in another section of this subpart, the authority in that section shall be cited as the negotiation authority for any resulting contract, even though one or more contracts of not more than \$10,000 in amount may result.

(Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c).)

Effective date. This amendment is effective November 29, 1976.

Dated: October 7, 1976.

NOTE: It is hereby certified that the impact does not meet the inflation impact criteria for major rules or regulations.

TERRY CHAMBERS,
Acting Administrator of
General Services.

[FR Doc.76-30692 Filed 10-19-76;8:45 am]

CHAPTER 101—FEDERAL PROPERTY MANAGEMENT REGULATIONS

SUBCHAPTER A—GENERAL

[FPMR Amendment A-23]

PART 101-5—CENTRALIZED SERVICES IN FEDERAL BUILDINGS

Establishment of Centralized Reproduction Facilities

Policy is provided with respect to retention of certain copy-processing machines by owning agencies and the transfer of personnel ceilings to the operating agency when centralized reproduction facilities are established in Federal buildings.

The table of contents for Part 101-5 is amended to revise § 101-5.203-4 and to delete and reserve §§ 101-5.4901, 101-5.4902, and 101-5.4903 as follows:

Sec.
101-5.203-4 Duplicating Services—Individual Agency Survey.
101-5.4901 [Reserved]
101-5.4902 [Reserved]
101-5.4903 [Reserved]

Subpart 101-5.2—Centralized Field Duplicating Services

1. Section 101-5.201 is revised as follows:

§ 101-5.201 Applicability.

This subpart is applicable to all executive agencies which occupy space in or are prospective occupants of a multi-occupant Federal building or complex located in the United States.

2. Section 101-5.202 introductory text is revised as follows:

§ 101-5.202 Types of centralized field duplicating services.

With due regard to the rules and regulations of the Joint Committee on Printing, the types of centralized field duplicating services made available by GSA to occupying agencies in a Federal building or complex will be as follows:

3. Section 101-5.203-1(a) is revised as follows:

§ 101-5.203-1 Scheduling of feasibility studies.

(a) Based on the available data on the proposed size, location, number of agencies scheduled for occupancy, and other factors pertinent to a proposed new Federal building, GSA will determine whether to provide for a centralized field duplicating plant in the space directive covering the new building. A feasibility study thereafter will be scheduled and coordinated with the Federal building program of the Public Buildings Service, GSA, to occur during the period following development of the prospectus and before development of final working drawings for the space directive. The final decision to provide centralized field duplicating services in a new Federal building will be subject to subsequent determination by the Administrator of General Services based upon the formal feasibility study.

4. Section 101-5.203-4 is revised as follows:

§ 101-5.203-4 Duplicating Services—Individual Agency Survey.

Each agency covered by a feasibility study will be requested, through its designated local representative, to complete and furnish to the appropriate GSA regional office GSA Form 3300, Duplicating Services—Individual Agency Survey. When necessary, representatives of the GSA regional printing and distribution activity will be available to assist in completion of the GSA Form 3300. Copies of GSA Form 3300 will be furnished to the agencies by GSA regional offices at the time the request for completion is made.

5. Section 101-5.203-6 is revised as follows:

§ 101-5.203-6 Pooling of equipment and personnel.

(a) In establishing centralized reproduction facilities in Federal buildings, GSA regional offices will make arrangements with participating agencies for the transfer of duplicating and related equipment for the centralized plant. Equipment for which there is no foreseeable need in the centralized plant will not be transferred to the plant but will be disposed of or transferred by the owning agency out of the building or complex to be served by the centralized facility. The duplicating equipment which is not used in the centralized plant will be held for a period of 6 months at which time it will be disposed of by GSA in accordance with applicable regulations governing the disposal of excess property. Copy-processing machines, as provided in paragraph (b) of this section, as well as reproduction, addressing, and automatic-copy processing equipment used in bona fide systems applications; e.g., a computer forms printer used in direct support of computer operations, may be retained by mutual agreement with using agencies.

(b) All copy-processing machines having a maximum speed of 25 copies a minute or less are exempted from transfer to the centralized plant, subject to the following conditions:

(1) No automatic document feeders, sorting mechanisms, or similar devices that encourage the use of the copier as a duplicating machine will be permitted, except in certified bona fide systems applications approved in advance by GSA.

(2) All purchase orders for new copying equipment or for continuation of existing equipment shall be submitted to the centralized facility manager for approval prior to release to the vendor.

(3) Exempted copiers, other than in bona fide systems applications provided in this § 101-5.203-6, are to be used for making not more than 20 copies of any one original. Requirements for more than 20 copies shall be submitted to the centralized facility for reproduction.

(4) The centralized facility manager shall periodically inspect agency copiers to ensure compliance with the terms of the exemption provisions. Following such inspections, action shall be taken first at the local level, then, if necessary, at the headquarters level, to promptly remove any unauthorized equipment, attachments, and devices not in consonance with these provisions.

(c) Personnel devoting over 50 percent of time to the duplicating activities of the affected agency will be identified for transfer to the operating agency upon establishment of a centralized plant, in accordance with the U.S. Civil Service Commission regulations relating to the transfer of functions. Agencies are also expected to transfer personnel ceiling to the operating agency for employees so transferred. In the event of later disestablishment of the centralized facility or substantial reduction in operations thereof, personnel ceiling will be returned to the agencies from which originally received.

(d) GSA will not make available to occupant agencies space for duplicating equipment, electrical outlets, or other services for such equipment in Federal buildings where use of such equipment would duplicate the services provided by the centralized plant unless sufficient justification and approval of the GSA regional printing and distribution activity are submitted with Standard Form 81, Request for Space, to the appropriate regional Director, Space Management Division, PBS, for approval.

6. Section 101-5.203-7 is revised as follows:

§ 101-5.203-7 Determination of feasibility.

The Administrator of General Services will determine the economic feasibility of each proposed centralized field duplicating plant in accordance with § 101-5.104-7. The Director of the Office of Management and Budget and the head of each affected agency will be advised of the Administrator's determination to establish a centralized plant.

7. Section 101-5.205-2 (a) and (b) are revised as follows:

§ 101-5.205-2 Prerequisites to designation of other agencies.

(a) Generally, prices charged to Government agencies using the centralized field duplicating service should be no higher for identical services than those specified on the currently effective nationwide uniform General Services Administration Reproduction Services Price Schedule. In special circumstances, deviations from the Price Schedule may be developed jointly by GSA and the designated agency.

(b) The designated agency shall accept responsibility for implementing the determination of the Administrator of General Services to establish a centralized duplicating plant, issued in accordance with §§ 101-5.104-7 and 101-5.203-7, including the provisions for transfer of excess equipment and other procedures and conditions specified in that determination. Necessary deviations from the determination may be developed jointly by GSA and the designated agency.

8. Section 101-5.205-3(a) is revised as follows:

§ 101-5.205-3 Actions prior to operation of plant.

(a) The designated agency shall assist the appropriate GSA regional office in the determination of firm space needs, including any special requirements. Space needs will be furnished by the GSA regional Customer Service and Support Division (Regional Printing and Distribution Division, Region 3) FSS, to the Public Buildings Service, GSA, before preparation of final working drawings for the Federal building in which the plant is to be located.

9. Sections 101-5.4901, 101-5.4902, and 101-5.4903 are deleted and reserved as follows:

§ 101-5.4901 [Reserved].

§ 101-5.4902 [Reserved].

§ 101-5.4903 [Reserved].

(Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c))

Effective date: This regulation is effective October 19, 1976.

It is hereby certified that the impact does not meet the inflation impact criteria for major rules or regulations.

Dated: October 4, 1976.

TERRY CHAMBERS,
Acting Administrator of
General Services.

[FR Doc.76-30691 Filed 10-19-76;8:45 am]

SUBCHAPTER B—ARCHIVES AND RECORDS

[FPMR Amendment B-34]

PART 101-11—RECORDS MANAGEMENT

Disposition of Federal Records; Extension of Records Retention Periods

This regulation outlines procedures to be followed by Federal agencies to obtain permission to retain records for a longer period than that specified in an approved agency records control schedule.

Section 101-11.406-7 is revised to read as follows:

§ 101-11.406-7 Extension of retention periods.

(a) Approved agency records control schedules are mandatory (44 U.S.C. 3303a(b)). Records shall not be maintained for a period of time longer than that specified in agency records control schedules without the prior written approval of the National Archives and Records Service (NC).

(b) Upon submission of evidence of need, NARS may empower a Federal agency to retain beyond their specified retention period records authorized for disposal (44 U.S.C. 2909). Such extensions of retention periods will be granted on the basis of the continuing administrative, legal, or fiscal value of the records to Government operations.

(c) The head of a Federal agency may request an extension of the retention period based upon an evidence of need for records authorized for disposal. Approval shall be requested by addressing a letter to the General Services Administration (NC), Washington, DC 20408. The request shall include:

(1) A concise description of the records for which an extension of retention period is requested;

(2) A complete citation to the specific provisions of the agency records control schedule currently governing disposal of the records;

(3) A statement of the period of time that the records will continue to be of use to the agency;

(4) A statement providing evidence of the specific need for the records, includ-

ing information on their continuing administrative, legal, or fiscal value to Government operations; and

(5) A statement of the current and proposed physical location of the records, including information on whether the records have been or will be transferred to one or more Federal records centers.

(d) Approval of a request for extension of retention periods may apply to records in the custody of one Federal agency or records common to several or all Federal agencies. If approval of a request is applicable to records in the custody of one agency, that agency will be notified by letter. If approval is applicable to records common to several or all agencies, notification may be made by GSA FPMR bulletin.

(e) Upon approval of a request for extension of retention periods applicable to records that have been or will be transferred to one or more Federal records centers, centers will be notified of this action and agencies will be furnished with a copy of the notification. Agencies shall forward to NARS (NC) a copy of all instructions issued formally which extend retention periods.

(f) Upon expiration of an approved extension of retention period, NARS will notify concerned agencies to observe normal records retention requirements.

(Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c).)

Effective date: November 20, 1976.

It is hereby certified that the impact does not meet the inflation impact criteria for major rules or regulations.

Dated: October 8, 1976.

TERRY CHAMBERS,
Acting Administrator of
Service Services.

[FR Doc.76-30751 Filed 10-19-76;8:45 am]

SUBCHAPTER F—TELECOMMUNICATIONS AND PUBLIC UTILITIES

[FPMR Amendment F-28]

PART 101-35—TELECOMMUNICATIONS

Subpart 101-35.2—Major Changes and New Installations, Radio Service

This amendment clarifies the language in Subpart 101-35.2 and deletes the requirement that agencies submit to GSA information concerning major radio changes or new radio installations as specified by GSA Form 1951, Radio Project Approval Questionnaire (Federal Agencies). This information is now obtained by GSA through the Interdepartment Radio Advisory Committee of the Office of Telecommunications Policy.

Sections 101-35.202(a)(11) and 101-35.203(f) are revised to read as follows:

§ 101-35.202 Definition of major changes.

(a) * * *

(11) Installation, relocation, or removal of Automatic Call Distributor (ACD) equipment. (For the purpose of § 101-35.203(a)(1), an ACD is considered to be PBX equipment.)

§ 101-35.203 Justification of major changes and new installations.

(f) *Radio service.* The information required by GSA in order to approve or disapprove major changes and new installations to agency radio services is obtained through the Interdepartment Radio Advisory Committee of the Office of Telecommunications Policy. Separate submission to GSA for radio services approval is not required unless additional information is needed on specific projects. GSA will initiate the action in these instances. However, agencies are required to make annual radio system planning submissions direct to GSA. (See Subpart 101-32.15.)

(Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c).)

Effective date. This regulation is effective October 19, 1976.

It is hereby certified that the impact does not meet the inflation impact criteria for major rules or regulations.

Dated: October 5, 1976.

TERRY CHAMBERS,
Acting Administrator
of General Services.

[FR Doc.76-30700 Filed 10-19-76;8:45 am]

Title 43—Public Lands: Interior

CHAPTER II—BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 5605; Wyoming 42550, 47857]

KANSAS

Reserving Lands in Fort Leavenworth Military Reservation for use of Department of Justice; Partial Revocation of Executive Order of October 10, 1854

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F.R. 4831), it is ordered as follows:

1. Subject to valid existing rights, the following described lands are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, 30 U.S.C. Ch. 2, but not from leasing under the mineral leasing laws, and reserved under the jurisdiction of the Department of Justice for use by the Bureau of Prisons in connection with the operation of Leavenworth Federal Penitentiary:

SIXTH PRINCIPAL MERIDIAN

PARCEL J

T. 8 S., R. 23 E.,

A tract of land situated in the W $\frac{1}{2}$ of sec. 22, more particularly described as follows:

Commencing at the northeast corner of SW $\frac{1}{4}$ of sec. 15 of said township and range; thence S. 0°12'44" W. along the east line of said SW $\frac{1}{4}$, 2241.26 feet to the westerly boundary of the Ft. Leavenworth Military Reservation; thence S. 30°38'33" W., along the reservation boundary, 2432.03 feet to the northeasterly right-of-way line of U.S. Highway No. 73, being an angle point in the west-

erly boundary of that 23.5-acre parcel known as Buffalo Bill Park, and being the point of beginning of the tract of land herein described; thence continuing S. 30°38'33" W., along the reservation boundary, 1683.82 feet; thence S. 64°57'49" E., along the reservation boundary, approximately 1900 feet to the northeasterly right-of-way line of U.S. Highway No. 73; thence in a northwesterly direction along said right-of-way line, approximately 630 feet to an angle point in the southerly boundary of that 23.5-acre parcel known as Buffalo Bill Park; thence continuing in a northwesterly direction along said right-of-way line, being the westerly boundary of said 23.5-acre parcel, the following courses: on a curve to the left having a radius of 1886.67 feet, 384.17 feet; N. 30°42'13" W., 301 feet; on a curve to the right having a radius of 4469.5 feet, 1129.77 feet to the point of beginning.

PARCEL D

A tract of land situated in the SE¼ of sec. 22, the S½ of sec. 23, and the N½ of sec. 26, more particularly described as follows:

Commencing at the northeast corner of the SW¼ of sec. 15 of said township and range; thence S. 0°12'44" W., along the east line of said SW¼, 2241.26 feet; thence S. 30°38'33" W., 4115.85 feet to the southwest corner of the Ft. Leavenworth Military Reservation; thence S. 64°57'49" E., along the reservation boundary, approximately 2560 feet to the southeasterly right-of-way line of the Union Pacific Railroad, being the point of beginning of the tract of land herein described; thence in an easterly direction along said right-of-way line of the Union Pacific Railroad, approximately 6650 feet to a point 350 feet normally distant westerly from the centerline of Grant Avenue; thence southerly parallel to the centerline of Grant Avenue, approximately 200 feet to the center of Corral Creek; thence in a southeasterly direction downstream along the center of Corral Creek, approximately 200 feet to the center of the ditch; thence in a southerly direction upstream along the center of the ditch, approximately 1910 feet to a point 200 feet north of the reservation boundary and 270 feet normally distant westerly from the centerline of Grant Avenue; thence southerly parallel to the centerline of Grant Avenue, 200 feet to the reservation boundary; thence N. 73°12'23" W. along the reservation boundary, approximately 4018 feet to an angle point in the reservation boundary; thence due west along the reservation boundary, 1548.74 feet; thence N. 64°57'49" W. along the reservation boundary, approximately 1173 feet to the point of beginning.

Containing approximately 269.6 acres in Leavenworth County.

2. The Executive Order of October 10, 1854, establishing the Fort Leavenworth Military Reservation is hereby revoked so far as it affects the lands described in paragraph 1 of this order.

JACK O. HORTON,
Assistant Secretary of
the Interior.

OCTOBER 13, 1976.

[FR Doc. 76-30696 Filed 10-19-76; 8:45 am]

Title 47—Telecommunication

CHAPTER I—FEDERAL COMMUNICATIONS COMMISSION

[FCC 76-928; Docket No. 19528]

PART 68—CONNECTION OF TERMINAL EQUIPMENT TO THE TELEPHONE NETWORK

Proposals for New or Revised Classes of Interstate and Foreign Message Toll Telephone Service (MTS) and Wide Area Telephone Service (WATS)

Adopted: October 5, 1976.

Released: October 18, 1976.

1. By means of its various decisions in this docket¹ (see 41 FR 41949) the Commission has established a registration program designed to give consumers a means of connecting customer-provided equipment to the nationwide telephone network without using carrier-supplied protective couplers (connecting arrangements). This program is applicable both to equipment provided by users (customer-supplied equipment) and to equipment provided by telephone companies (carrier-supplied equipment).²

2. We now have several pleadings before us requesting various forms of relief from and/or clarification of our earlier orders herein. The following pleadings have been received:

(a) A Motion for Stay pending judicial review of all previous orders issued here-

¹ The registration program was established in a First Report and Order (hereafter, November Order), 56 F.C.C. 2d 593 (1975), and initially applied to all terminal equipment other than PBXs, key telephone equipment, main telephones and coin telephones. On February 13, 1976, the Commission issued a Memorandum Opinion and Order (hereafter, February Order), 57 F.C.C. 2d 1216, in reconsideration of the November Order which generally affirmed the conclusions and principles of the November Order, but which established certain "grandfather" provisions concerning equipment installed during a transition period established for phasing in registration of terminal equipment. On March 15, 1976, the Commission released a Memorandum Opinion and Order (hereafter, March 15, Order), 58 F.C.C. 2d 716, which substantially modified the registration program's technical standards. In a Second Report and Order released March 18, 1976 (hereafter, March 18 Order), 58 F.C.C. 2d 736, the Commission extended the registration program to include PBXs, key telephone equipment and main telephones (leaving coin telephones and equipment connected with party-line telephones service excluded from the scope of the registration program). In response to petitions for clarification of earlier rulings in this proceeding, the Commission released a Memorandum Opinion and Order on April 28, 1976 (hereafter, April Order), FCC 76-377, which, among other things, clarified the grandfather provisions and transition period requirements of Part 68 of the Commission's Rules.

² 56 F.C.C. 2d at 601.

in, filed April 13, 1976 by United System Service, Inc. (United) and an opposition jointly filed April 21, 1976 by North American Telephone Association (NATA) and Rollins Protective Services, Inc.

(b) A Petition for Declaratory Ruling, filed by Action Communications Systems, Inc. (Action).

(c) Petitions for reconsideration of the March 15 Order, filed by GTE Service Corporation (GTE) and Gaines M. Crook and Associates (Crook).

(d) Petitions for reconsideration of the March 18 Order, filed by GTE, the Bell System companies (Bell), and International Telephone and Telegraph Company (ITT); Oppositions to some or all of the petitions for reconsideration filed by Bell, ITT, International Business Machines (IBM), Computer and Business Equipment Manufacturers Associates (CBEMA), and NATA; replies to these oppositions filed by Bell and GTE; further comments in support of its petition for reconsideration, filed by GTE; further responsive pleadings filed by Bell and NATA.

(e) A Petition to Modify Order, filed by Bell, and comments in support of such petition, filed by GTE and Rixon, Inc.

MOTION FOR STAY

3. Although not disputing the Commission's authority either to declare tariff provisions unlawful that prevent or restrict the interconnection of customer-provided equipment or to institute a registration program, United request a stay pending judicial review of certain aspects of our previous orders. United requests that the Commission stay its orders requiring: (1) that telephone companies register their terminal equipment and protective circuitry, (2) that carriers connect their equipment to the telephone network through standard plugs and jacks, and (3) that telephone companies permit their customers to provide their own main station telephones. By Orders (April 28, 1976 and June 16, 1976) of the U.S. Court of Appeals for the Fourth Circuit, the Commission's orders herein as they relate to carrier-provided equipment have been stayed. In view of this fact it is unnecessary to act on United's request for stay, since the court-imposed stay already covers every aspect of the Commission's orders which United wishes stayed. United's request for stay will therefore be dismissed as moot.

PETITION FOR DECLARATORY RULING

4. Action Communication Systems, Inc. is an independent manufacturer of a computer controlled voice switching system which is connected to a PBX or Centrex telephone system. Action's system has the capability to "permit only authorized use of long distance facilities, automatically select the most economical

type of long-distance facility to be used (e.g., WATS, DDD, FX and/or TIE), provide a simpler method of placing frequently called numbers, record pertinent information for accounting and billing procedures after a call is completed, and provide automatic system analysis by printing diagnostics on the system's console using all long distance lines." Because Action's equipment is a multiline system, it wishes clarification of the grandfather provisions contained in § 68.2 of the Commission's Rules.³

5. On April 28, 1976—the same day the instant petition was filed—we released a Memorandum Opinion and Order which dealt at great length with interpreting and clarifying the grandfather provisions of Part 68. Although we believe the grandfather provisions were adequately addressed in that April Order, we will again address these provisions insofar as they relate to multiline equipment such as that made by Action. Where a multiline system is already installed before January 1, 1977, the addition of new lines or trunks will require no change in the previously connected lines or trunks. Of course each new line or trunk must be protected against the introduction of harm as defined in § 68.3 of the Commission's Rules in an appropriate manner (e.g., by using connecting arrangements or registered protective circuitry, as appropriate). If a trunk is reclassified without physical change (e.g., from Band 2 WATS to Band 5 WATS), neither it nor any other trunks in the system will require changes to insure that the network will not be harmed. In addition, systems currently installed using telephone company-provided connecting arrangements will not require change nor will the connecting arrangements require change after January 1, 1977. Finally, as stated in paragraph 9 of the April Order, routine repairs and maintenance will not cause grandfathered or registered status to be lost so long as any components needing replacement are replaced with components comparable to the original ones.

PETITIONS FOR RECONSIDERATION

6. In its Petition for Reconsideration of the March 18 Order, Bell has raised

³ Action's Petition for Declaratory Ruling, pp. 1 and 2.

⁴ The pertinent paragraphs of § 68.2 of the Commission's Rules state:

(a) Except as provided for in paragraphs (b) and (c), the rules and regulations in this Part apply to the direct connection after May 1, 1976 of all terminal equipment other than coin telephones, and PBX and key telephone equipment to the telephone network, for use in conjunction with all services other than party line service, and to the direct connection after August 1, 1976 of all terminal equipment other than coin telephones to the telephone network, for use in conjunction with all services other than party line service.

(b) Unless otherwise ordered by the Commission, all items of equipment, other than PBX and key telephone equipment, of a type directly connected to the network as of May 1, 1976 may be connected thereafter up to January 1, 1977—and may remain connected for life—without registration, unless subsequently modified.

questions involving both policy and technical matters. The petitions for reconsideration filed by GTE (regarding both the March 15 and March 18 Orders), Crook, and ITT raise only technical matters. To the extent that these matters can be separated, we will treat the policy matters first, followed by a discussion of the technical questions.

(a) Bell's Policy Contentions

7. Bell has asked for reconsideration of three aspects of the March 18 Second Report and Order. First Bell argues that the registration program should not be expanded to include PBXs, key telephone systems and main station telephones. In Bell's short statement supporting this proposition (three sentences), Bell states that this equipment constitutes the majority of equipment connected to the telephone network and "it is not prudent to include this equipment in a registration program which has not been proven adequate and which will not provide the requisite protection to the network and to telephone company employees." Also Bell states that this action should not be undertaken until the conclusion of the economic inquiry in Docket No. 20003.

8. The weakness of Bell's position is highlighted by the brevity of its supporting statement. With respect to the relationship of this proceeding to the economic inquiry in Docket No. 20003, we have stated that Dockets 20003 and 19528 were not mutually exclusive and remedial action in Docket No. 19528 could always be taken if we were presented with a showing in Docket No. 20003 of imminent and compelling economic harm from our proposed action in Docket No. 19528 (41 FR 41949, September 24, 1976) 49 FCC 2d 1238, 1239-40 (1974). No such showing has ever been made. In any event we have now released a Report in Docket No. 20003 (FCC 76-879) wherein we have considered and analyzed the economic effects of the implementation of our registration program for terminal equipment. We there concluded that terminal equipment competition has not had and is not soon likely to have any significant adverse impact on telephone company revenues or on the rates for basic telephone service. To the extent that there could be a revenue impact in the future, we found that ample time exists to make adjustments, to alleviate this situation without the necessity of denying customers the right to interconnect registered terminal equipment. Therefore we found that there was "no need at the present to alter either the Carterfone policy or our registration program in Docket No. 19528." (par. 225) Bell has presented nothing here to cause us to reexamine this determination. Bell states that the scope of the registration program should not be expanded because the program has not been proven adequate. The logic of this position is difficult to comprehend in view of the fact that nearly all of the technical standards contained in the program are taken from Bell System proposals, and took over three years to develop during the formal

proceedings herein.⁵ Furthermore, while Bell complains of the inadequacy of the registration program, we note that all the other parties seeking reconsideration are complaining that the program is overly protective and for that reason, overly burdensome. In any event, although the registration program has now been in operation for approximately three months, we have not even received an allegation of any harm as a result of the implementation of the registration program. Furthermore with the proposed refinements to the rules discussed in the later paragraphs of this order, the rules should prove to be less burdensome, while continuing to protect the telephone network and telephone company employees. Therefore, for the reasons stated in the March 18 Second Report and Order,⁶ main telephones, PBXs and key telephone systems will be included in the registration program.

9. Bell asks that in the event we choose to affirm our earlier decision to include main stations, PBXs and key stations in the registration program, then the program should be modified to exclude telephone company-provided equipment. In support, Bell states that the requirement that telephone company-provided equipment be included in the registration program serves no legitimate purpose and has no support in the record. On the contrary, the record does support the inclusion of such equipment in the program. One of the major reasons we gave for including carrier-supplied equipment was that such "equipment possesses the same potential for harm to the network as does customer supplied equipment."⁷ In fact, the record evidence indicates that, on the whole, installations of customer-provided equipment have historically not resulted in a substantially higher rate of trouble reports than installations of carrier-supplied equipment.⁸ Of course, it is clear that both carrier-provided and customer-provided equipment have the potential to cause the same harms to the telephone network and the same injuries to telephone company employees which our registration program is designed to prevent.⁹

10. Bell suggests that the information which the Commission expects to obtain from the submission of registration ap-

⁵ This does not include several years of informal proceedings prior to the initiation of this docket. For a short description of the historical background of this proceeding, see 56 F.C.C. 2d 593, 594-99 (1975).

⁶ 58 F.C.C. 2d 736, 739-42 (1976).

⁷ 56 F.C.C. 2d 593, 601 (1975); 57 F.C.C. 2d 1216, 1217 (1976).

⁸ According to the "Bell System Summary of Customer Trouble Reports and Trouble Disposition by Class of Service of Fourth Quarter 1974," in two categories of service—Business and Switched Data—the trouble report rates for lines equipped with customer-provided equipment were lower than the rates for lines equipped with all carrier-provided equipment; in the other three categories of service—Residence, PBX, and Centrex—the reverse was true.

⁹ This is especially true in the many instances where a manufacturer supplies a carrier the same equipment which it supplies directly to end users.

¹⁰ Bell Petition for Reconsideration, p. 4.

plications for carrier-provided equipment could be just as easily obtained under the Commission's Section 218 powers (47 U.S.C. § 218). This suggestion misses the point. While the Commission could clearly obtain documents and other existing information from the carriers concerning interconnection standards, that section does not give the Commission the power to demand ideas or suggestions from the carriers on how existing standards could best be modified or relaxed, consistent with public policy. And in fact, absent the inclusion in the program of carrier-supplied equipment, the carriers would have no incentive to voluntarily come forward with such information. The wisdom of this policy has already been proven and has led to the relaxation of the technical standards at Bell's suggestion, resulting in a substantial reduction in Bell's estimates of the cost of implementing the registration program.¹¹

11. When the Federal-State Joint Board recommended that the Commission adopt a registration program,¹² it stressed the importance of the establishment of uniform national technical standards,¹³ and recommended that carrier equipment be included in the program. The Commission, also recognizing the importance of uniform standards, provided that the new Part 68 rules would apply to both telephone company-provided and customer-provided equipment, and would apply throughout the entire United States and within the operating areas of all telephone companies. In fact, the first rule in Part 68—Section 68.1—expresses the Commission's purpose in

adopting the registration program. That rule states that "The purpose of the rules and regulations in this Part is to provide for uniform standards for the protection of the telephone network from harms caused by the connection of terminal equipment thereto."¹⁴ As was noted by the Joint Board, the proliferation of multiple standards could lead to dis-economies of scale to manufacturers, and problems in obtaining replacement parts, both of which would result in increased costs to users. These problems would become particularly acute in those situations where a manufacturer serves both the carrier and end user markets. Our purpose in establishing uniform standards was to eliminate these types of problems, while at the same time, facilitating the interchangeability of equipment throughout the country. Only by including both carrier-provided and customer-provided equipment in the program and by making the program applicable nationwide, are we able to fully carry out the purpose of the registration program as expressed in § 68.1 of the Commission's rules.

12. Bell states that "[t]he inclusion of telephone company-provided equipment in the program requires significant changes at almost every stage of providing telephone service. Because of the sheer numbers of items of equipment and installations involved each day throughout the country the added expense due to registration is enormous."¹⁵ The registration program has been designed to accommodate present telephone company practices. With respect to technical standards, the rules were derived largely from telephone company proposals and therefore we would expect that telephone company equipment would have no trouble meeting the standards. With respect to installation procedures, the program is also generally consistent with telephone company procedures.¹⁶ Furthermore, the telephone companies' business office procedures will require no change as a result of inclusion of carrier-supplied equipment in the registration program. Bell recognizes that substantially the same records would have to be kept even if there were no registration program. In a General Letter¹⁷ dated April 1, 1976¹⁸ from AT&T to each of the Bell System operating companies regarding the registration program the following statement appears on page one: "Telephone Company provided equipment is included in the program but no change in Business Office procedures is required as a result of this inclusion." In

addition, on page one of a 26 page memorandum accompanying General Letter 76-04-063 the following statement appears: "The Registration Program also applies to Telephone Company provided equipment, however, there will be no change in the Business Office/Marketing procedures for handling customer contacts and issuing service orders for Telephone Company provided terminal equipment." Thus we are convinced that inclusion of carrier-supplied equipment in the registration program will impose no great hardships on telephone companies—economic or otherwise.

13. Bell has requested that the date by which PBXs and key telephone systems must be connected to the network be postponed from January 1, 1977 until August 1, 1977. Because of the stay issued by the U.S. Court of Appeals with respect to implementation of those aspects of the registration program pertaining to key telephone systems and PBXs, it is unnecessary to address this request at the present time. If and when the stay is eventually lifted, we will set procedural dates for the orderly implementation of the program.

(b) Technical Matters

14. Because of the absence of an adequate record concerning the installation of intra-system wiring in PBX and key telephone installations, we adopted an alternative¹⁹ requirement, in paragraph 27-29 of the March 18 Order, that all PBX and key telephone systems contain protective circuitry interposed between the telephone network and remote station equipment of such systems. As both GTE and Bell have pointed out in their comments herein, only non-Bell PBXs presently contain such circuits, and virtually no key telephone systems contain such circuits. Thus, were this tentative requirement to remain unchanged, a change in Bell's present PBX designs would be required for registration (GTE's PBXs appear to already incorporate the required protective circuitry). We issued our tentative conclusion requiring protective circuitry because that was all that was concretely before us. We concomitantly called for proposals which would in essence, retain present telephone company practices in the rules.²⁰

15. In its Petition for Reconsideration, Bell supported the Commission's tentative conclusion²¹ although it quantified the cost of adding this protective circuitry to such equipment at \$88 million in the first year.²² In its Petition for Re-

¹¹ Bell estimated the costs of implementing the program with the originally proposed standards contained in the November Order, at \$350 million (See Bell's Petition for Stay filed January 8, 1976). Only after the release of the November Order, which included carrier-provided equipment in the program, did Bell propose relaxed technical standards. Following the adoption in the March 15 Order, of relaxed technical standards based in large part on Bell's proposals, Bell's estimate of the implementation costs dropped to \$94 million. (Affidavit of Joe H. Hunt filed with the U.S. Court of Appeals, Fourth Circuit, in Case No. 76-1002; see also Brief of Petitioners, July 1, 1976, p. 99, n. 138.) As is noted in paragraphs 14-16 below, \$88 million of these \$94 million in costs are subject either to reduction or elimination through adoption of a GTE proposal now before us or a Bell proposal to be submitted by October 29, 1976, or a variant of these proposals.

¹² 53 FCC 2d 221 (1975).

¹³ *Ibid.* at 222-23. The Bell System also at one time recognized the importance of uniform standards. In a Petition for Rehearing and Stay of Decision No. 81339 filed May 25, 1973 before the Public Utilities Commission of the State of California in Case No. 9271, Pacific Telephone and Telegraph Company—one of the Bell System operating companies—stated on page one: "As Pacific pointed out during the proceedings (see Decision, p. 6) a uniform nationwide policy must be applied to interconnection problems." (Pacific later changed its position to favor state rather than Federal certification. See, *Phonetele, Inc. v. California Public Utilities Commission*, 11 C. 3rd 125, 520 P. 2d 400 (1974) at fn. 3.

¹⁴ 56 F.C.C. 2d 593, 615 (1975).

¹⁵ Bell Petition for Reconsideration, p. 11.

¹⁶ For telephones, and data and ancillary equipment our rules require the use of standard plugs and jacks (See Report and Order in Docket No. 20774, FCC 76-617, released July 12, 1976). For key telephone system and PBX installations, see paragraphs 14-18 *infra*.

¹⁷ The Bell System designation for this letter is GL76-04-063.

¹⁸ As of this date, the presently-effective stay of the U.S. Court of Appeals on the inclusion of carrier-provided equipment in the program had not yet been issued.

¹⁹ The tentative nature of these requirements was indicated by our failure to adopt specific implementing rules in the Second Report and Order.

²⁰ See 58 FCC2d 736 at 746, note 12.

²¹ At page 17 of its Petition for Reconsideration, Bell stated "The Bell System companies agree with the Commission's requirement that PBXs and key telephone equipment with on site wiring be connected to the network through registered protective circuitry."

²² Affidavit of Joe H. Hunt filed with the U.S. Court of Appeals, Fourth Circuit in Case No. 76-1002 incorporated by reference in the Petition for Reconsideration at page 5 thereof.

consideration, GTE, on the other hand, proposed an alternative to requiring interposed protective circuitry in the common equipment of all PBX and key telephone systems, consistent with protecting the telephone network. ITT commented favorably in response to GTE's proposal, and Bell opposed it. On August 17, 1976, GTE filed Comments in Support of its Petition for Reconsideration which further refined its proposal for the elimination of unnecessary protective circuitry in PBX and key telephone systems.²³ Bell replied to these further comments stating that " * * * the Bell System has committed its resources in an effort to reduce the costs of implementing the registration program for PBX and key telephone systems, and in so doing will further evaluate and consider the GTE proposal. The Bell System companies will submit the results of these efforts to the Commission, GTE, and other participants in Docket 19528 by October 29, 1976."²⁴

16. We have no desire to require significant changes in present telephone company practices regarding the installation of PBX and key telephone systems. Thus, if our rules establish similar installation requirements to be applied generally, protective circuitry will not be required. We now have one proposal before us to establish such installation requirements (GTE's) and a commitment that we will have another before us by the end of October (from Bell). Accordingly, we will not rule at this time on reconsideration of our tentative requirements in paragraphs 27-29 of the Second Report and Order. As the Common Carrier Bureau noted in its August 27, 1976 Order:

The GTE petition for reconsideration as refined by its supporting comments addresses the above-mentioned wiring problems, and might well present a reasonable approach for eliminating some protective circuitry and substantially reducing the costs of implementing the registration program with respect to PBX and key telephone installations.

As GTE recognized in its Comments, the telephone companies do not have a monopoly on adequately-trained installation personnel. Installation personnel employed by the telephone companies' competitors are often trained by the same manufacturers who train the telephone companies' installers in the installation of equipment which is sold to both. Such non-telephone company installers have access to the same wire and cable suppliers as do the telephone companies, and in fact often use the same installation techniques as the telephone companies for efficiency. Thus, while paragraphs 27 through 29 of the March 18 Order recognize that the telephone network may be vulnerable to inadequate wiring installation, these paragraphs do

not address the likelihood of such inadequate wiring actually being performed. We shall therefore reserve decision on this aspect of reconsideration of the March 18 Second Report and Order pending receipt of Bell's October 29, 1976 filing, and will issue an Order at that time setting an additional briefing schedule, if we deem such comments necessary on review of Bell's filing.²⁵

17. Because of the pendency of reconsideration of our wiring installation requirements for PBX and key telephone systems, we will not at this time revise the technical requirements in Part 68 which relate to such systems. At such time as we resolve the PBX and key system wiring installation requirements, and related requirements for protective circuits and means of connection, we shall also address the remaining technical requirements on such systems.

18. However, one technical matter raised in the petitions for reconsideration is ripe for decision now, and we are addressing it herein. In our March 18 Order, we concluded that it was not necessary to impose specific requirements on network control signaling as a condition for registration of PBX systems, since such PBX systems are only used by business telephone users, and failures of network control signaling will tend to be self-correcting.²⁶ We do not retreat from this conclusion. As we noted in the March 18 Order, a failure of a network control signaling function to a business PBX user "would go far beyond inconvenience to the user; it would adversely affect his business." In formulating their own maintenance policies, the telephone companies have recognized this phenomenon. In Docket No. 19419, in response to questioning about network control signaling failures, Bell testified:

For example, if it's a network control signaling unit associated with an extension phone in a residence, and talking with the customer he indicates that he could get by a couple of days without using that phone, we might schedule a maintenance visit a couple days [sic] at his convenience.

If he's a business customer, such as a customer of the type who would use an ADAA, or data services of the type that we—I am discussing in my testimony here—we would endeavor to give him very fast service. It's a service that he puts a high priority on, certainly same day service.²⁷

A business customer putting such "a high priority" on his service will do so regardless of the supplier of his PBX equipment, whether the supplier is the local telephone company, or non-telephone company. We again stress that the telephone companies are encouraged to provide design parameters for compati-

ble network control signaling which can be employed by PBX manufacturers in appropriately fabricating their products.²⁸ Thus, with the expected dissemination of appropriate compatibility standards, and the motivations of business, PBX users to be able to receive and originate telephone calls, there is no reason to impose an additional registration requirement on PBX network control signaling within our rules. Finally, as we noted both in the November Order and the March 18 Order, no protection has been accorded against many network control signaling malfunctions to which the telephone network is vulnerable in the design of the predecessor telephone company-provided protective devices, and no harm has resulted therefrom.

PETITION TO MODIFY ORDER

19. We have before us a Bell Petition requesting modification of Section 68.314, relating to protection of the integrity of billing equipment. This petition is supported by GTE, Rixon and IDCMA, and no other parties have commented on it. In essence, Bell contends that the present language of Section 68.314, in conjunction with Section 68.308(c) is overly restrictive, and is inconsistent with the present design of all datasets, telephone company and non-telephone company, of which Bell is aware. Bell proposes liberalizing the present requirement to provide that a minimum two second delay be required after the answering data equipment goes off-hook, during which period no message information could be transmitted or received by the answering data equipment. During this two second time period, registered terminal equipment would be permitted to exchange "handshaking" signals, but registered data protective circuitry would not, as such circuitry would not be able to determine whether the information traversing it was, or was not "handshaking". Bell proposes that "handshaking" be defined in this context as "signals exchanged between data sets or modems for such purposes as disabling echo suppressors, adjusting automatic equalizers or automatic gain controls, establishing synchronization, and signaling the presence of the data terminal at the remote end of the connection."²⁹ Finally, Bell suggests clarification that these requirements do not apply during an alternate voice-mode use of data equipment.

20. Bell's revised proposal is consistent with protection of the billing vulnerabilities of the telephone network and reaches the same end result which our § 68.314 requirements were intended to reach although by a different technique.³⁰

²³ We note that some informal industry action in this regard is already proceeding. The Electronic Industries Association (a trade association with telephone company and PBX manufacturer members) announced in a press release dated August 6, 1976 the formation of Technical Standards Committee TR41.1, relating to PBX technical standards, sponsored by the Telephone Equipment Section of the Communications Division.

²⁴ Bell Petition, page 7.

²⁵ See 58 FCC2d 716 at 733-35 (1976).

²⁶ By delegated authority, the Chief of the Common Carrier Bureau accepted this pleading, and set it for comment. See the Chief's Order released August 27, 1976.

²⁷ Bell Opposition to Comments, September 10, 1976, p. 10.

²⁸ In so doing we do not retreat from the Bureau's observation that GTE's proposal might well be reasonable. We are only affording an additional month and a half to positively and constructively respond to GTE. By no means do we foreclose the possibility that we may adopt GTE's proposal or a variant thereof.

²⁹ 58 FCC2d at 742-43 (1976).

³⁰ Testimony of L. Hohmann in Docket No. 19419, Tr. 4018.

Since retention of our present requirement might require significant modification or redesign of data equipment, we will substitute Bell's revised § 68.314(a) language for the present language in that section.

21. Accordingly, it is ordered that the Motion for Stay filed by United Systems Service, Inc. is dismissed as moot.

22. It is further ordered that the Petition for Declaratory Ruling filed by Action Communications Systems, Inc. is granted.

23. It is further ordered that the various petitions for reconsideration listed in paragraph two above are denied to the extent indicated above and are deferred in all other respects.

24. It is further ordered that the Petition to Modify Order filed by Bell is granted.

25. It is further ordered, pursuant to sections 1, 2(a), 4(i), 4(j), 201-205, 208, 215, 313, 303, 403, 410 and 602 of the Communications Act, that Part 68 of the Commission's Rules and Regulations is amended as shown below effective November 18, 1976.

(Secs. 1, 2, 4, 201-205, 208, 215, 303, 313, 403, 410, 602, 48 Stat., as amended 1064, 1066, 1070-1072, 1073, 1076, 1082, 1087, 1094, 1098, 1102; 47 U.S.C. 151, 152, 154, 201-205, 208, 215, 303, 313, 403, 410, 602.)

FEDERAL COMMUNICATIONS
COMMISSION,
VINCENT MULLINS,
Secretary.

The Commission's Rules and Regulations (Chapter 1 of Title 47 of the Code of Federal Regulations) are amended by revising § 68.314(a) to read as follows:

§ 68.314 Billing protection.

(a) *Call duration requirements on data equipment.*

Registered data terminal equipment and registered protective circuitry shall comply with the following requirements when answering an incoming call, except in off-hook states in which signals are transmitted and/or received by electroacoustic transducers only:

(1) Registered protective circuitry. Registered protective circuitry connected to associated data equipment shall assure that the following signal power limitations are met for at least 2 seconds after the off-hook condition is presented to the telephone network in response to an incoming call:

(i) signals that appear at the protective circuitry-telephone network interface for delivery to the telephone network shall be limited to -55 dB with respect to one milliwatt as such signals are delivered into a loop simulator circuit; and (ii) signals that appear at the protective circuitry-associated data equipment interface for delivery to associated data equipment shall be limited as follows: for any received signal power (appearing at the protective circuitry-telephone network interface) up to 0 dB with respect to one milliwatt (at any frequency in the range of 200 to 3200 Hertz), the power of signals delivered to

associated data equipment shall be no greater than the signal power that would be delivered as a result of received signal power of -55dB with respect to one milliwatt.

(2) Registered Terminal Equipment. Registered terminal equipment for data applications shall assure that, when an incoming telephone call is answered, the answering terminal equipment prevents both transmission and reception of data for at least 2 seconds after the answering terminal equipment transfers to the off-hook condition. For the purpose of this requirement, a fixed sequence of signals that is transmitted (and originated within) and/or received by the registered terminal equipment each time it answers an incoming call shall not be considered data, provided that such signals are for one or more of the following purposes:

- (i) Disabling echo suppressors,
- (ii) Adjusting automatic equalizers and gain controls,
- (iii) Establishing synchronization, or
- (iv) Signaling the presence and if required, the mode of operation, of the data terminal at the remote end of a connection.

[FR Doc. 76-30754 Filed 10-19-76; 8:45 am]

Title 24—Housing and Urban Development

CHAPTER II—OFFICE OF ASSISTANT SECRETARY FOR HOUSING PRODUCTION AND MORTGAGE CREDIT—FEDERAL HOUSING COMMISSIONER (FEDERAL HOUSING ADMINISTRATION), DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. R-76-418]

MORTGAGE INSURANCE AND HOME IMPROVEMENT LOANS

Changes in Interest Rates

The following miscellaneous amendments have been made to this chapter to reduce from 8.50 percent to 8.00 percent the maximum rate of interest for certain mortgage and loan insurance programs under the National Housing Act. The Secretary has determined that such changes are necessary to meet the mortgage market, in accordance with her authority contained in 12 U.S.C. 1709-1, as amended. The Secretary has, therefore, determined that advance notice and public procedure are unnecessary and that said cause exists for making this amendment effective October 18, 1976.

A Finding of Inapplicability of section 102(2)(C) of the National Environmental Policy Act of 1969, as amended, has been made in accordance with procedures set forth in HUD Handbook 1390.1. That Finding of Inapplicability is available for public inspection during normal business hours in the Office of the Rules Docket Clerk, Room 10141, Department of Housing and Urban Development, 451 7th Street, S.W., Washington, D.C.

NOTE.—It is hereby certified that the economic and inflationary impacts of the regulations have been carefully evaluated in accordance with OMB Circular No. A-107.

Accordingly, Chapter II, Subchapter B of Title 24 of the Code of Federal Regulations is amended as follows:

PART 203—MUTUAL MORTGAGE INSURANCE AND INSURED HOME IMPROVEMENT LOANS

Subpart A—Eligibility Requirements

1. In § 203.20 paragraph (a) is amended to read as follows:

§ 203.20 Maximum interest rate.

(a) The mortgage shall bear interest at the rate agreed upon by the mortgagee and the mortgagor, which rate shall not exceed 8.00 percent, except that where an application for commitment was received by the Secretary before October 18, 1976, the mortgage may bear interest at the maximum rate in effect at the time of receipt of the application.

(Sec. 211, 52 Stat. 23; (12 U.S.C. 1715b). Interpret or apply sec. 203, 52 Stat. 10, as amended; (12 U.S.C. 1709).)

2. In § 203.74 paragraph (a) is amended to read as follows:

§ 203.74 Maximum interest rate.

(a) The loan shall bear interest at the rate agreed upon by the lender and the borrower, which rate shall not exceed 8.00 percent, except that where an application for commitment was received by the Secretary before October 18, 1976, the loan may bear interest at the maximum rate in effect at the time of receipt of the application.

(Sec. 211, 52 Stat. 23; (12 U.S.C. 1715b). Interpret or apply sec. 203, 52 Stat. 10, as amended; (12 U.S.C. 1709).)

PART 213—COOPERATIVE HOUSING MORTGAGE INSURANCE

Subpart C—Eligibility Requirements—Individual Properties Released From Project Mortgage

1. In § 213.511 paragraph (a) is amended to read as follows:

§ 213.511 Maximum interest rate.

(a) The mortgage shall bear interest at the rate agreed upon by the mortgagee and the mortgagor, which rate shall not exceed 8.00 percent, except that where an application for commitment was received by the Secretary before October 18, 1976, the mortgage may bear interest at the maximum rate in effect at the time of application.

(Sec. 211, 52 Stat. 23; (12 U.S.C. 1715b). Interpret or apply sec. 213, 64 Stat. 54, as amended; (12 U.S.C. 1715e).)

PART 234—CONDOMINIUM OWNERSHIP MORTGAGE INSURANCE

Subpart A—Eligibility Requirements—Individually Owned Units

In § 234.29 paragraph (a) is amended to read as follows:

§ 234.29 Maximum interest rate.

(a) The mortgage shall bear interest at the rate agreed upon by the mort-

gagee and the mortgagor, which rate shall not exceed 8.00 percent, except that where an application for commitment was received by the Secretary before October 18, 1976, the mortgage may bear interest at the maximum rate in effect at the time of receipt of the application.

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b). Interprets or applies sec. 234, 75 Stat. 160; (12 U.S.C. 1715y).)

Effective date: These amendments shall be effective on October 18, 1976.

JAMES L. YOUNG,
Assistant Secretary for Housing—
Federal Housing Commissioner.

[FR Doc.76-30847 Filed 10-19-76;8:45 am]

CHAPTER V—OFFICE OF ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. R-76-292]

PART 570—COMMUNITY DEVELOPMENT BLOCK GRANTS

General Provisions

On June 9, 1975, the Department of Housing and Urban Development published in the FEDERAL REGISTER (40 FR 24692) the consolidated rules and regulations governing the community development block grant program under Title I of the Housing and Community Development Act of 1974. Subpart A of Part 570 of the regulations contained the general provisions under which the program operates. The purpose of this notice is to modify the regulations concerning fund allocations.

Section 570.3(g) provides the definition of "metropolitan area." This definition is being expanded by adding a sentence to make it clear that in those instances where an SMSA covers more than one State, each State portion is considered as a separate metropolitan area for purposes of allocating discretionary balance funds.

The definition of "population" contained in § 570.3(s) is deleted and a new definition is provided which takes into account the latest published resident population figures as compiled by the U.S. Census Bureau. The 1973 published population data, which were not available in time for use in Fiscal Years 1975 and 1976, shall be used in computing grants for entitlement communities for Fiscal Year 1977, as required by section 102 (a) (7) and (b) of the enabling legislation.

Publication of the revisions contained herein is required to announce their applicability to eligible recipients of block grants to be made from Fiscal Year 1977 appropriations.

Accordingly, the Assistant Secretary for Community Planning and Development has determined that it is impractical, unnecessary, and contrary to the public interest to follow a notice of proposed rulemaking procedure and that good cause exists for making these regulations effective on the date of publication.

In connection with the environmental review of the proposed amendments to the regulations, a Finding of Inapplicability has been made under HUD Handbook 1390.1, 38 FR 19182. A copy of the Finding is available for inspection in the Office of the Rules Docket Clerk, Office of the Secretary, Room 10141, Department of Housing and Urban Development, 451 7th Street, SW., Washington, D.C.

NOTE.—It is hereby certified that the economic and inflationary impacts of these regulations have been carefully evaluated in accordance with OMB Circular No. A-107.

In consideration of the foregoing 24 CFR Part 570, Subpart A is amended as follows:

1. Section 570.3 is amended by adding a sentence to paragraph (q) and by revising paragraph (s) to read as follows:

§ 570.3 Definitions.

(q) * * * For multi-state metropolitan areas, each State portion shall be considered as a separate metropolitan area.

(s) Population means the total resident population based on data compiled and published by the United States Bureau of the Census as of 1970 for Fiscal Years 1975 and 1976, and as of July 1973 for Fiscal Year 1977.

(Title I of the Housing and Community Development Act of 1974 (42 U.S.C. et seq.); sec. 7(d), Department of HUD Act (42 U.S.C. 3535(d)).)

Effective date: This amendment is effective on October 20, 1976.

WARREN H. BUTLER,
Acting Assistant Secretary for
Community Planning and
Development.

[FR Doc.76-30848 Filed 10-19-76;8:45 am]

CHAPTER X—FEDERAL INSURANCE ADMINISTRATION, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SUBCHAPTER B—NATIONAL FLOOD INSURANCE PROGRAM, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FI-1086]

SUBCHAPTER B—ARCHIVES AND RECORDS

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW

Final Flood Elevation; Borough of Dunellen, New Jersey

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of the final determinations of flood elevations for the Borough of Dunellen, New Jersey under § 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the Borough must adopt flood plain management measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at Borough Hall, 355 North Avenue, Dunellen, New Jersey 08812.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
Bonygutt Brook	Bound Brook Rd.	48	100	(1)
	North Ave. (extended)	48	10	(1)
	South Madison Ave.	49	350	500
	Prospect Ave.	51	330	780
	South Washington Ave.	53	160	115
Green Brook	Madison Ave.	51	(1)	525
	North Washington Ave.	52	(1)	845

* Outside corporate limits.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 23, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc.76-30724 Filed 10-19-76; 8:45 am]

[Docket No. FI-1165]

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW

Final Flood Elevation; Borough of Edwardsville, Luzerne County, Pennsylvania

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of his final determinations of flood elevations for the Borough of Edwardsville, Luzerne County, Pennsylvania under § 1917.9 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the

Borough must adopt flood plain management measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.9(a), the Administrator has resolved the appeals presented by the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at the foyer of the Borough Building, Main Street, Edwardsville, Pennsylvania.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one-percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width in feet from bank of stream to 100-yr flood boundary facing downstream	
			Left	Right
Susquehanna River...	Upstream corporate limits.....	547		1,840
	Confluence with Toby Creek.....	546		300

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 23, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc.76-30737 Filed 10-19-76; 8:45 am]

[Docket No. FI-1173]

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW

Final Flood Elevation; Borough of Larksville, Luzerne County, Pennsylvania

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of his final determinations of flood elevations for the Borough of Larksville, Luzerne County, Pennsylvania under § 1917.9 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the Borough must adopt flood plain management measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.9(a), the Administrator has resolved the appeals presented by the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at the Mayor's office, New Borough Building, State Street, Larksville, Pennsylvania.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one-percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width in feet from bank of stream to 100-yr flood boundary facing downstream	
			Left	Right
Susquehanna River	At southwest corporate limits	545	(1)	960
	Delaware-Hudson R.R. bridge	546	(1)	420
	Eastern corporate limits	546	(1)	1,310

¹ Corporate limits.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 23, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc. 76-30738 Filed 10-19-76; 8:45 am]

[Docket No. FI-971]

**PART 1917—APPEALS FROM FLOOD
ELEVATION DETERMINATION AND JU-
DICIAL REVIEW**

**Final Flood Elevation, Borough of New
Milford, New Jersey**

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448)), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10), hereby gives notice of the final determinations of flood elevations for the Borough of New Milford, New Jersey under § 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the Borough must adopt flood plain manage-

ment measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at Borough Hall, 930 River Road, New Milford, New Jersey 07646.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
Hackensack River	Milford Ave.	12	(1)	500
	South Park Dr.	11	(1)	100
	River Edge Ave.	11	(1)	450
	New Bridge Rd.	9	(1)	700
Hackensack River bypass flow.	Cleveland St.	13	(1)	150
	Main St.	13	(1)	50
Hirshfeld Brook	Hirshfeld Place	18	50	100
	Washington Ave.	13	50	150
French Brook	Corporate limits	56	30	30
	Boulevard St.	34	100	100
	New Bridge Rd.	16	50	20

¹ Corporate limits.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 23, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc. 76-30727 Filed 10-19-76; 8:45 am]

[Docket No. FI-1114]

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW**Final Flood Elevation; Borough of Oradell, New Jersey**

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of the final determinations of flood elevations for the Borough of Oradell under § 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the Borough must adopt flood plain manage-

ment measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at Borough Hall, 355 Kinderkamack Road, Oradell, New Jersey 07649.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
Hackensack River	Oradell Ave.	15	30	20
	Argyle St. (extended)	11	440	
	Birkshire St. (extended)	10	460	
Hackensack River bypass.	Elm St.	14	20	20
	New Milford Ave.	13	30	
Van Saun Mill Brook	Oradell Ave.	83	160	50
	Martin Ave.	76	20	175
Van Saun Mill Brook tributary.	Midland Rd. (extended)	95	10	260

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 28, 1976.

J. ROBERT HUNTER,
Federal Insurance Administrator.

[FR Doc. 76-30728 Filed 10-19-76; 8:45 am]

[Docket No. FI-1197]

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW**Final Flood Elevation; Borough of Plymouth, Luzerne County, Pennsylvania**

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of his final determinations of flood elevations for the Borough of Plymouth, Luzerne County, Pennsylvania under § 1917.9 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the

Borough must adopt flood plain management measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.9(a), the Administrator has resolved the appeals presented by the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at the Lobby in the Municipal Building, 162 Shawnee Avenue, Plymouth, Pennsylvania.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one-percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width in feet from bank of stream to 100-yr flood boundary facing downstream	
			Left	Right
Susquehanna River	Hanover St. (Fellows St.) bridge	544	(1)	200
	Bridge St. (State Route 309)	545	(1)	25

¹ Outside corporate limits.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 23, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc. 76-30739 Filed 10-19-76; 8:45 am]

[Docket No. FI-2028]

**PART 1917—APPEALS FROM FLOOD
ELEVATION DETERMINATION AND JU-
DICIAL REVIEW**

**Final Flood Elevation; Borough of Riverton,
New Jersey**

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of the final determinations of flood elevations for the Borough of Riverton, New Jersey under § 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the Borough must adopt flood plain man-

agement measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at Borough Hall, 501 5th Street, Riverton, New Jersey 08077.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
Jack's Run	Cedar St. (upstream side)	12	100	200
Pompeston Creek	Penn Central RR	10	(1)	35
Delaware River	Howard St.	10	(1)	1,325
	Main St.	10	(1)	500
	Lippincott Ave.	10	(1)	600
	Linden Ave.	10	(1)	375
	Bank Ave.	10	(2)	(2)

¹ To corporate limits.

² Entire road within corporate limits.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 23, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc. 76-30729 Filed 10-19-76; 8:45 am]

[Docket No. FI-1160]

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW**Final Flood Elevation; City of Gladstone, Oregon**

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of the final determinations of flood elevations for the city of Gladstone, Oregon under § 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the City must adopt flood management

measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at City Hall, Gladstone, Oregon 97027.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation ¹ in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
Clackamas River	McLoughlin Blvd	44	0	(2)
	Portland Traction Co. RR	44	50	(2)
	82d Ave.	45	100	(2)
	I-205	52	250	(2)

¹ U.S.C. and GS 1947 supp. adjustment.

² To corporate limits.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 28, 1976.

J. ROBERT HUNTER,
Federal Insurance Administrator.

[FR Doc. 76-30735 Filed 10-19-76; 8:45 am]

[Docket No. FI-1161]

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW**Final Flood Elevation; City of West Linn, Oregon**

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (Section 1917.10)), hereby gives notice of the final determinations of flood elevations for the City of West Linn under § 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the City must adopt flood plain management

measures that are consistent with these criteria and reflect the base elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from the individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at City Hall, West Linn, Oregon 97068.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation ¹ in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
Willamette River.....	Oregon City-West Linn Bridge.....	46	(2)	100
	I-205 Bridge.....	45	(2)	100
Tualatin River.....	Weiss Bridge.....	72	(2)	50

¹ U.S.C. and F.S. 1947 supp. adjustment.
² To corporate limits.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 28, 1976.

J. ROBERT HUNTER,
Federal Insurance Administrator.

[FR Doc.76-30736 Filed 10-19-76;8:45 am]

(Docket No. FI-1157)

**PART 1917—APPEALS FROM FLOOD
ELEVATION DETERMINATION AND JU-
DICIAL REVIEW**

**Final Flood Elevation; Town of Cape
Carteret, North Carolina**

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of the final determinations of flood elevations for the Town of Cape Carteret, North Carolina under Section 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program,

the Town must adopt flood plain management measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at Town Hall, Cape Carteret, North Carolina 28584.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood bound- ary (feet)	
			Right	Left
Bogue Sound.....	Dolphin St.....	7		1 450
	Youpon Dr.....	7		1 440
	Lejeune Rd.....	7		1 570
	Holly Lane.....	7		1 1,280
	Easy St.....	7		1 1,040
Pettiford.....	Middle Ct.....	7	(2)	
	Star Hill Dr.....	7	(2)	

¹ From shoreline.
² End of court to corporate limit.
³ 300 ft from Middle Ct. to 700 ft from Middle Ct.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 23, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc.76-30733 Filed 10-19-76;8:45 am]

[Docket No. FI-2027]

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW**Final Flood Elevation; Town of Dickinson, Broome County, New York**

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of his final determinations of flood elevations for the Town of Dickinson, Broome County, New York under § 1917.9 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the

Town must adopt flood plain management measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.9(a), the Administrator has resolved the appeals presented by the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at the Town Clerk's Office, Dickinson Town Hall, 842 Front Street, Binghamton, New York.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one-percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width in feet from bank of stream to 100-yr flood boundary facing downstream	
			Left	Right
Chenango River	Stearns Rd. (extended)	852		640
	Boland Rd. (extended)	852		540
	Orchard Rd. (extended)	850		140
	Rose Dale Dr. (extended)	850		820
	Beaver Street Bridge	849		60

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (39 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 23, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc. 76-30731 Filed 10-19-76; 8:45 am]

[Docket No. FI-1112]

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW**Final Flood Elevation; Town of Emerald Isle, North Carolina**

The Federal Insurance Administrator, in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of the final determinations of flood elevations for the Town of Emerald Isle, North Carolina under § 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the

Town must adopt flood plain management measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at Town Hall, Route 1, Emerald Isle, North Carolina 28557.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)
Atlantic Ocean-Bogue Inlet.	Inlet Dr.	11	Entire street from point 80 ft north of Station St.
	Inlet Dr.	10	From 80 ft north of Station St. to 60 ft. north of Ring St.
Bogue Sound.	Emerald Dr.	8	From B. Cameron Langston Bridge south 230 ft.
	Old Ferry Rd.	7	From the former free ferry south 160 ft.
	Cedar St.	7	Entire street north of point 80 ft north of junction with South Dr.
	West Landing Dr.	7	Northernmost 70 ft from shoreline.
Atlantic Ocean.	1st St.	7	Northernmost 67 ft from shore.
	Ocean Dr.	11	Entire street between 22d and 25th St.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 28, 1976.

J. ROBERT HUNTER,
Federal Insurance Administrator.

[FR Doc.76-30734 Filed 10-19-76;8:45 am]

[Docket No. FI-1154]

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW

Final Flood Elevation; Town of North Hempstead, Nassau County, New York

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of his final determinations of flood elevations for the Town of North Hempstead, Nassau County, New York under § 1917.9 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program,

the town must adopt flood plain management measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.9(a), the Administrator has resolved the appeals presented by the community. Therefore, publication of this notice is compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at the Office of Town Clerk, 200 Plandome Road, Manhasset, New York.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one-percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width in feet from shoreline to 100-yr flood boundary
Manhasset Bay (east shore).	Unincorporated area of Port Washington.	14	At border with incorporated area of Port Washington north equal 340. At Webster Ave. extended equal 170. Pine Dr. extended equal 320. At border with incorporated area of Plandome Manor equal 440. At Shoreview Ave. extended equal 160. At Bayview Ave. extended equal 110. At Thompson Shore Dr. extended equal 100.
	Unincorporated area of Manhasset.	14	At Manhasset Creek Rd. equal 130. At Northern Blvd. equal 40. At Lake Whitney equal 420.
Tidal flooding from Manhasset Bay into Manhasset Creek and Whitney Lake.	do.	14	At Shore Rd.—town boundary intersection equal 70. North of Motts Cove equal 420. At border with incorporated area of Sands Point equal 50. At Bar Beach equal 1,950. At border with incorporated area of Roslyn Harbor equal 700.
Hempstead Harbor (east shore).	Unincorporated area of Port Washington.	14	Varies from 40 at the northern limit to 280 at the southern limit.
Hempstead Harbor (west shore).			
Little Neck Bay.	Unincorporated area of Harbor Hills.	14	

RULES AND REGULATIONS

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 28, 1976.

J. ROBERT HUNTER,
Federal Insurance Administrator.

[FR Doc. 76-30732 Filed 10-19-76; 8:45 am]

[Docket No. FI-1153]

**PART 1917—APPEALS FROM FLOOD
ELEVATION DETERMINATION AND JU-
DICIAL REVIEW**

**Final Flood Elevation; Town of West
Orange, New Jersey**

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§1917.10)), hereby gives notice of the final determinations of flood elevations for the Town of West Orange, New Jersey under § 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the

Town must adopt flood plain management measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at Town Hall, 66 Main Street, West Orange, New Jersey 07052.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
West Branch Rahway River	Northfield Ave.	338	60	100
	Old Indian Rd.	351	240	280
	Mont Pleasant Ave.	357	60	100
West Fork of east Branch Rahway River	Mitchell St.	175	60	(1)
	Central Ave.	175	80	(1)
	Valley Rd.	177	70	(1)
East Fork of east Branch Rahway River	Meekner St.	150	200	(1)
	Tremont St.	151	460	(1)
	Union St.	152	450	(1)
Peckman River	Woodland Ave.	373	100	300
	Forest Ave.	406	40	30
North Branch Wigwam	Washington Ave.	183	300	200
	Whittelsey St.	192	420	350
	Franklin Ave.	208	240	280
	Ashwood Ter.	236	120	60

¹ Corporate limit.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 23, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc. 76-30730 Filed 10-19-76; 8:45 am]

[Docket No. FI-1151]

**PART 1917—APPEALS FROM FLOOD
ELEVATION DETERMINATION AND JU-
DICIAL REVIEW**

**Final Flood Elevation; Township of Green
Brook, New Jersey**

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of the final determinations of flood elevations for the Township of Green Brook, New Jersey under § 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the Township must adopt flood plain man-

agement measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at Town Hall, 111 Greenbrook Road, Green Brook, New Jersey 08812.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
Green Brook	Rock Ave.	56	420	
	Jefferson Ave.	53	2,170	
	Washington Ave.	52	1,330	
	Warrenville Rd.	47	370	
Municipal	Rock Ave.	66	65	35
	Jefferson Ave. (extended)	56	235	15

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 28, 1976.

J. ROBERT HUNTER,
Federal Insurance Administrator.

[FR Doc.76-30725 Filed 10-19-76; 8:45 am]

[Docket No. FI-1083]

PART 1917—APPEALS FROM FLOOD ELEVATION DETERMINATION AND JU- DICIAL REVIEW

Final Flood Elevation; Township of Livingston, New Jersey

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.10)), hereby gives notice of the final determinations of flood elevations for the Township of Livingston under § 1917.8 of Title 24 of the Code of Federal Regulations.

The Administrator, to whom the Secretary has delegated the statutory authority, has developed criteria for flood plain management in flood-prone areas. In order to continue participation in the National Flood Insurance Program, the

Township must adopt flood plain management measures that are consistent with these criteria and reflect the base flood elevations determined by the Secretary in accordance with 24 CFR Part 1910.

In accordance with Part 1917, an opportunity for the community or individuals to appeal this determination to or through the community for a period of ninety (90) days has been provided. Pursuant to § 1917.8, no appeals were received from the community or from individuals within the community. Therefore, publication of this notice is in compliance with § 1917.10.

Final flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the final elevations are available for review at 357 South Livingston Avenue, Livingston, New Jersey 07039.

Accordingly, the Administrator has determined the 100-year (i.e., flood with one percent chance of annual occurrence) flood elevations as set forth below:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
Passaic River	South Orange Ave.	176	1,130	(1)
	Route 10	175	50	(1)
Passaic River	Walnut Ave.	193	350	310
Tributary	South Orange Ave.	191	375	410
Slough Brook	Irving Ave.	280	85	20
	Belmont Dr.	279	230	25
	West Northfield Rd.	259	60	180
	Hobart Gap Rd. ¹	240	60	30
	Hobart Gap Rd. ²	238	35	0
	Parsonage Rd.	179	20	(1)
Slough Brook	Parsonage Rd. ³	177	10	15
Tributary No. 1	Parsonage Rd. ³	177	10	50
Canoe Brook	East Hobart Gap Rd. ³	329	120	(1)
Tributary No. 1	East Hobart Gap Rd. ³	327	120	150
Canoe Brook	East Laurel Ave.	373	450	0
	West Laurel Ave.	366	210	440
	McClellan Ave. ²	357	15	50
	McClellan Ave. ³	255	45	20
	Cherry Hill Rd.	330	0	300
	Brookside Ave.	292	300	200
	East Hobart Gap Rd.	220	480	340
	South Orange Ave. ³	207	1,025	0
	South Orange Ave. ³	207	990	50
Canoe Brook	Shrewsbury Rd.	388	70	45
Tributary No. 2	Tremont Ter.	354	65	85
	Brooklawn Dr.	316	170	95
Canoe Brook	Overlook Rd.	464	40	30
Tributary No. 3				
Bear Brook	West Lawn Rd.	307	410	10

¹ Extends to corporate limits.

² Upstream side.

³ Downstream side.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: September 28, 1976.

J. ROBERT HUNTER,
Federal Insurance Administrator.

[FR Doc.76-30726 Filed 10-19-76; 8:45 am]

Title 50—Wildlife and Fisheries

CHAPTER I—UNITED STATES FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

PART 32—HUNTING

Opening of Hillside National Wildlife Refuge, Miss., to the Hunting of Upland Game

On October 6, 1976, there was published in the FEDERAL REGISTER (41 FR 44041) a notice of proposed rulemaking adding Hillside National Wildlife Refuge, Mississippi, to the list of refuge areas which are open for the hunting of upland game. This list is published at 50 CFR 32.21. As a general rule, most areas within the National Wildlife Refuge System are closed to hunting until officially opened by regulation.

Pursuant to the authority of 16 U.S.C. 668dd(d), as redelegated to the Director of the United States Fish and Wildlife Service at DM 242.1.1, the Director has determined that the opening of Hillside National Wildlife Refuge to public hunting would not be contrary to the provisions of law applicable to the areas, would be compatible with the principles of sound wildlife management, would be in the public interest and would not be detrimental to the objectives for which the area was established.

The public was provided an abbreviated comment period of 11 days and was advised that an environmental assessment had been prepared on the proposal and was available for public inspection.

Based on the preceding and an evaluation of the environmental assessment, it has been determined that the hunting of upland game on Hillside National Wildlife Refuge, Mississippi, is not a major Federal action which would significantly affect the quality of the human environment within the meaning of § 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. § 4332(2)(c)). The preparation of an environmental impact statement on the proposed action is, therefore, not required.

Accordingly, the proposed rulemaking is hereby adopted without change and § 32.21 is amended as set forth below:

§ 32.21 List of open areas: upland game.

MISSISSIPPI

HILLSIDE NATIONAL WILDLIFE REFUGE

Effective date: Because of the time limitations involved with the Mississippi State hunting season already being open and the need to coordinate State and Federal hunting regulations, the U.S. Fish and Wildlife Service has concluded that "good cause" exists within the meaning of section 553(d)(3) of the Administrative Procedures Act to expedite the implementation of this rulemaking. Therefore, this rulemaking will become effective October 20, 1976.

Dated: October 19, 1976.

LYNN A. GREENWALT,
Director, U.S. Fish and
Wildlife Service.

[FR Doc.76-30959 Filed 10-19-76; 9:03 am]

proposed rules

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Farmers Home Administration

[7 CFR Parts 1822 and 1904]

[FmHA Instruction 444.3]

LOAN AND GRANT PROGRAMS (INDIVIDUAL); SECTION 504 RURAL HOUSING LOANS AND GRANTS

Proposed Redesignation-Revision

Notice is hereby given that the Farmers Home Administration has under consideration the establishment of, under Chapter XVIII, Title 7, Subchapter I—Loan and Grant Programs (Individual), a new Part 1904—"Loan and Grant Programs (Individual)." Subparts A through G, (§§ 1904.1 through 1904.350), in the Code of Federal Regulations. This change proposes to redesignate, revise and transfer Subpart B, "Section 504 Rural Housing Loan Policies, Procedures, and Authorizations," of Part 1822 to new subpart G of Part 1904 of this Chapter XVIII. Subpart G, "Section 504 Rural Housing Loans and Grants (§§ 1904.301-1904.350)," of this new Part is revised, transferred and redesignated as set forth below. This revision will improve the operation and administration of the Section 504 program and increase its effectiveness by including provisions for making grants or combinations of loans and grants. Also included are editorial changes, a change in title to reflect the addition of grants, but specifically, this revision-redesignation makes the following proposed revisions:

1. Section 1904.304 provides eligibility requirements for grant recipients. These requirements limit authorization of grants to those applicants who are 62 years of age or older and whose incomes are so low that they are unable to repay the amount of the grant under the 504 loan program.

2. Section 1904.306 requires the County Supervisor to prepare a budget, Form FmHA 431-3, "Family Budget," for each 504 loan or grant applicant.

3. Section 1904.307 limits grants to persons 62 years of age or older and requires grant recipients to sign an agreement stating that they will not sell the property for a period of 3 years after receiving the grant. The agreement provides for reimbursement to the Government for all grant funds received should the property be sold prior to the expiration of that 3-year period.

4. Section 1904.310 provides recovery of grant funds in the event of sale of property by grantor within a 3-year period.

Interested persons are invited to submit written comments, suggestions, or

objections regarding the proposed amendment to the Chief, Directives Management Branch, Farmers Home Administration, U.S. Department of Agriculture, Room 6316, South Building, Washington, DC 20250, on or before November 22, 1976. All written submissions made pursuant to this notice will be made available for public inspection at the Office of the Chief, Directives Management Branch, during regular business hours (8:15 a.m. to 4:45 p.m.).

PART 1904—LOAN AND GRANT PROGRAMS (INDIVIDUAL)

As proposed, Subpart G of Part 1904 is added as set forth below.

Subpart G—Section 504 Rural Housing Loan and Grant Policies, Procedures, and Authorizations Sec.

- 1904.301 General.
- 1904.302 Objectives.
- 1904.303 Amount of Section 504 Loans and Grants.
- 1904.304 Eligibility requirements.
- 1904.305 Loan and Grant Purposes.
- 1904.306 Evaluating application and determining need for Section 504 Loans and Grants.
- 1904.307 Limitations.
- 1904.308 Evidence of ownership.
- 1904.309 Terms and rates.
- 1904.310 Security.
- 1904.311 Approval of loan or grant.
- 1904.312 Supervised bank accounts.
- 1904.313 Nondiscrimination.
- 1904.314-1904.350 [Reserved]

EXHIBIT A AGREEMENT IN CONNECTION WITH A SECTION 504 GRANT

Subpart G—Section 504 Rural Housing Loans and Grants

§ 1904.301 General.

This Subpart sets forth the policies and procedures and delegates authority for making initial and subsequent Rural Housing (RH) loans and/or grants under section 504(a) of the Housing Act of 1949 (section 504 loans). A section 504 loan, combined loan and grant, or grant will be made in accordance with the provisions of subpart A of Part 1822 of this chapter (FmHA Instruction 444.1) as supplemented and modified by this Subpart.

§ 1904.302 Objectives.

The basic objective of the Farmers Home Administration (FmHA) in making section 504 loans and grants is to assist owner-occupants in rural areas who do not qualify for Section 502 loans to repair or improve their dwellings to make such dwellings safe and sanitary and remove hazards to the health of the occupants, their families, or the community.

§ 1904.303 Amount of section 504 loans and grants.

No initial or subsequent section 504 loan, loan and grant, or grant may be made which will cause the total amount of section 504 assistance extended to the applicant to exceed \$5,000. Transferees assuming a section 504 loan are limited to subsequent loans in an amount not to exceed the difference between the unpaid principal balance of the debt assumed and \$5,000. The information will be compiled and retained indefinitely for all borrowers who have received section 504 financial assistance.

§ 1904.304 Eligibility requirements.

(a) *Section 504 loan*: To be eligible for a section 504 loan, an applicant must own and occupy a dwelling located in a rural area and meet the other eligibility requirements of subpart A of Part 1822 of this Chapter, [FmHA Instruction 444.1] except that the applicant must:

(1) Be without sufficient income to qualify for a section 502 loan and have no reasonable prospect of improving his/her income to the extent that a section 502 loan to improve his/her housing could be repaid.

(2) Have sufficient income, including any welfare-type payments, to repay the section 504 loan and have a good reputation for paying debts promptly, except that if the applicant's income is not sufficient to pay the loan, he/she may qualify for the loan by obtaining a co-signer or cosigners in accordance with § 1822.4(d) and § 1822.12(d) of this Chapter. [Paragraphs IV D and XII D of FmHA Instruction 444.1.]

(3) Need to make minor repairs and improvements to the dwelling which he/she owns and occupies to make it safe and sanitary and remove hazards to the health of the applicant, the applicant's family, or the community.

(b) *Combination loan and grant*: A combined loan and grant may be made to an applicant meeting the requirements of paragraph (a) of this section, provided the applicant is 62 years of age or older and has income so low that he/she is able to repay only a part of the total cost of the needed repairs or improvements. The portion of the assistance which the applicant can repay, as determined by the County Supervisor, will be made in the form of a loan. Only that portion of the assistance which is determined beyond the applicant's ability to repay will be in the form of a grant.

(c) *Section 504 grant (without loan)*: A grant may be made to a applicant meeting the requirements of paragraph

(a) of this section provided that the applicant is 62 years of age or older; has an income so low that he cannot repay any part of a Section 504 loan; the repairs and improvements are not for cosmetic purposes, but are necessary to make the dwelling safe and sanitary and/or remove health hazards to the occupants, their families, or the community.

§ 1904.305 Loan and grant purposes.

Section 504 loan and/or grant funds may be used for paying the cost of minor repairs and improvements, including but not limited to:

- (a) Repairing roofs.
- (b) Supplying screens.
- (c) Repairing or providing structural supports.
- (d) Adding a room to an existing dwelling in special cases when clearly necessary to remove hazards to the health of the family.
- (e) Providing a sanitary water and waste disposal system. If funds are included in the loan for a water or waste disposal system, the system must meet local health department requirements.
- (f) Providing other similar repairs or improvements.
- (g) Paying fees and expenses in accordance with § 1822.6(a)(14) of this Chapter. [Paragraph VI A 14 of FmHA Instruction 444.1.]

§ 1904.306 Evaluating application and determining need for Section 504 Loans and Grants.

(a) Before a loan or grant may be made, the County Supervisor must document the evidence that the applicant meets all requirements of eligibility to receive such loan or grant. A budget will be prepared reflecting the ability or inability of an applicant to repay the requested assistance. For those applicants receiving grants or partial grants, the budget must evidence the applicants inability to repay any part of the amount received as a grant.

(b) The County Supervisor will visit the home of each applicant who appears to be eligible to determine whether the applicant meets the requirements of § 1904.304(a)(3). During the visit, information will be recorded in the loan docket on the following items and any additional pertinent facts:

(1) The nature of the health or safety hazard and how the proposed loan will remove such hazard.

(2) The specific repairs to be made and a list of items of materials and labor to be paid for with the proposed loan and/or grant.

(c) Itemized cost estimates will be obtained for all work to be performed. If in the judgment of the County Supervisor the cost estimate is not reasonable, additional cost estimates will be obtained.

(d) Information about cosigners will be obtained in accordance with § 1822.12 (d) of this Chapter. [Paragraph XII D of FmHA Instruction 444.1.]

§ 1904.307 Limitations.

A Section 504 loan or loan may not be made to:

(a) Assist in the construction of new dwellings.

(b) Improve the appearance of a dwelling or make facilities in the dwelling more convenient unless such changes are directly associated with removing hazards to health or safety.

(c) Make repairs to a dwelling of such poor condition and quality that when the repairs are completed the dwelling would likely continue to be a substantial hazard to the health and safety of the family.

(d) In addition to paragraphs (a), (b) and (c) of this section, a section 504 grant may not be made to applicants under 62 years of age. Furthermore, a grant recipient must sign an agreement stating that he/she will not sell the property on which grant funds were utilized for a period of 3 years. Exhibit A may be used as a guide in preparing the agreement. In the event the property is sold before the end of said 3-year period, the agreement will provide that the grantee will reimburse the Government the full amount of the grant.

§ 1904.308 Evidence of ownership.

Each applicant will be required to submit evidence of ownership of the farm or nonfarm tract. This may be the original or a certified or photostatic copy of the deed, purchase contract, or other instrument evidencing ownership. When the County Supervisor is uncertain as to whether the applicant is a qualified owner, the County Supervisor will take such actions as he considers necessary, such as requiring the applicant to furnish additional information or obtaining the advice of the Office of the General Counsel regarding the evidence of ownership submitted, and any further information or action that may be needed. Proof of ownership need not be as much as that required by Part 1807 of this Chapter [FmHA Instruction 427.1]. It may consist of evidence which, considered as a whole, would be sufficient to convince a reasonably well informed and prudent person that the applicant is probably the owner. It may include, for example, such evidence as the levy and payment in the applicant's name of taxes on the real estate and affidavits by others in the community to the effect that the applicant has occupied the property as the apparent owner for a given length of time and is believed and generally reputed to be the owner.

§ 1904.309 Terms and rates.

A Section 504 loan will be scheduled for repayment in accordance with the applicant's ability to pay. Loans of not more than \$1,500 may be amortized over a period not to exceed 10 years. Loans of more than \$1,500 but not more than \$2,500 may be amortized over a period not to exceed 15 years and loans of more than \$2,500 may be amortized over a

period not to exceed 20 years from the date of the note. The interest rate for Section 504 loans is 1 percent per annum.

§ 1904.310 Security.

(a) *Section 504 loans:* Section 504 loans of \$2,500 or more will be secured by a mortgage on the borrower's real estate. Real estate security will also be taken for loans of less than \$2,500 whenever the loan approval official determines that such security may be needed to reasonably assure repayment of the loan. For all Section 504 loans, the title requirements of Part 1807 of this chapter, [FmHA Instruction 427.1] will not apply. However, the County Supervisor will use all practical means to verify that title and lien information furnished by the applicant is complete and accurate.

(b) *Section 504 grants or loans and grants:* County Supervisors are required to take steps, to the extent possible and practical, to protect the government's interest to promote FmHA's recovery of grant funds in the event of sale by the owner or foreclosure by other creditors. In addition, all persons receiving grants or partial grants will be required to sign an agreement (see Exhibit A) not to sell the property for which the grant or partial grant was given for a period of 3 years. The agreement will provide that if the property is sold before the expiration of the 3 year period, the full amount of the grant will be repaid to the Government.

§ 1904.311 Approval of loan or grant.

Section 504 loans or grants may be approved in accordance with the authorizations of subpart B of Part 1810 of this chapter [FmHA Instruction 440.2.].

§ 1904.312 Supervised bank accounts.

A Supervised bank account will be used for each Section 504 loan and/or grant unless the entire proceeds will be disbursed to a supplier, or contractor at closing.

§ 1904.313 Nondiscrimination.

Loans under this program are subject to the nondiscrimination policies of the U.S. Department of Agriculture, and will be processed without regard to race, color, religion, sex, or national origin.

§§ 1904.314-1904.350 [Reserved].

(42 U.S.C. 1480 (Housing); delegation of authority by the Secretary of Agriculture, 7 CFR 2.23; delegation of authority by the Assistant Secretary for Rural Development, 7 CFR 2.70.)

Dated: October 13, 1976.

FRANK B. ELLIOTT,
Administrator,
Farmers Home Administration.

EXHIBIT A

AGREEMENT

IN CONNECTION WITH A SECTION 504 GRANT

I (we) the undersigned, hereby agree not to sell the property located at _____ being repaid with grant funds provided by

the Farmers Home Administration grant, for a period of three years from the date of this agreement. Should I (we) sell such property within three years, I (we) agree to repay to the grantor, at the time of the sale, the full amount of the grant, which is \$_____.

(Grantee)

(Grantee)

(Date)

(Representative, Farmers Home Administration)

(Date)

[FR Doc.76-30718 Filed 10-19-76; 8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

[45 CFR Part 185]

EMERGENCY SCHOOL AID ACT, EDUCATIONAL TELEVISION

Notice of Proposed Rulemaking

Pursuant to the authority contained in the Emergency School Aid Act, Educational Television, 20 U.S.C. 1610, the Assistant Secretary of Education, with the approval of the Secretary of Health, Education, and Welfare, proposes to amend subpart H of Part 185 of Title 45 of the Code of Federal Regulations to read as set forth below.

The purposes of the amendments are to: (1) create new categories of funding to better meet the Congressional intent; (2) raise the maximum amount of award for "regional" programs from \$250,000 to \$300,000; (3) provide an additional degree of flexibility for producers to negotiate residual rights agreements with television talent unions; (4) provide further assurances on independence of content and distribution; (5) make minor adjustments in point award criteria; and (6) allow producers, other than local educational agencies, to recover overhead costs.

Discussions relative to the proposed changes in these regulations have been conducted with officials of the Public Broadcasting System and with various public television stations and ESAA-TV producing organization personnel. Changes included in items (3), (4), and (6) are the result of suggestions made by representatives of these organizations.

It is intended that the amendments to §§ 185.72(c) (2) and (3), (e), and (f) and § 185.77 will apply not only to future awards but to contracts awarded with Fiscal Year 1975 and Fiscal Year 1976 funds. Those amendments either relax restrictions or are editorial in nature. The other amendments to subpart H shall apply to awards made on or after their effective date.

Interested persons are invited to submit written comments to the proposed regulations to Herman R. Goldberg, Associate Commissioner, Equal Educational Opportunity Programs, Room 2001, Federal Office Bldg. 6, Washing-

ton, D.C. 20202. All comments must be received on or before December 6, 1976 unless the 45th day is a Saturday, Sunday, or a Federal holiday, in which case the material must be received by the next following business day. These comments will be available for public inspection in the above Office between the hours of 8:30 a.m. and 4:00 p.m. Monday through Friday of each week.

(Catalog of Federal Domestic Assistance Programs Number 13.530, Emergency School Aid Act—Educational Television.)

Dated: September 13, 1976.

VIRGINIA Y. TROTTER,
Assistant Secretary
for Education.

Approved: October 14, 1976.

MARJORIE LYNCH,
Acting Secretary of Health, Education, and Welfare.

PART 185—EMERGENCY SCHOOL AID

1. In § 185.71, paragraph (b) is revised to read as follows:

§ 185.71 Eligibility for funds.

(b) No more than ten contracts shall be awarded pursuant to this subpart during any fiscal year.

(20 U.S.C. 1610(b) (1).)

2. In § 185.72, paragraph (a), subparagraph (b) (3), subparagraphs (c) (2) and (3), the introductory text of paragraph (e), and paragraph (f) are revised to read as follows:

§ 185.72 Authorized activities and areas of concern.

(a) Funds made available under this subpart shall be used to pay the normal and necessary expenses of researching, planning, writing, editing, staging, directing, performing, producing, reproducing, and distributing integrated children's television programs where such activities would not otherwise be funded and are designed to carry out the purposes described in § 185.01. Such programs shall compose television series of standard length programs in any fiscal year from one or more of the following categories as announced each year in the FEDERAL REGISTER:

(1) Additional programs of a national series (i.e., intended for national distribution) previously assisted under the Act (other than a series described in subparagraph (a) (6) of this section);

(2) A national series (i.e., intended for national distribution) other than a series described in subparagraphs (a) (1) and (a) (6) of this section, to improve the cognitive skills of minority and non-minority groups elementary school age children in one or more areas, such as mathematics, science, social studies, or language;

(3) A national series (i.e., intended for national distribution) other than a series described in subparagraphs (a) (1) and (a) (6) of this section, to improve the cognitive skills of minority and non-minority group secondary school age children in one or more areas, such as

mathematics, science, social studies, or language;

(4) A national series (i.e., intended for national distribution) other than a series described in subparagraphs (a) (1) and (a) (6) of this section, to foster interracial and inter-ethnic understanding among elementary school age children;

(5) A national series (i.e., intended for national distribution) other than a series described in subparagraphs (a) (1) and (a) (6) of this section, to foster interracial and inter-ethnic understanding among secondary school age children;

(6) A national bilingual series of cognitive and/or affective education value for elementary school age children (i.e., intended for national distribution). A bilingual series is a series consisting of programs which contain no more than 60 percent of its content in one of the two languages it offers;

(7) Up to three new "regional" series intended for less than nationwide utilization meeting the special needs of subgroups of minority groups as defined in § 185.02(f) which may be unique to a particular geographic region; or

(8) Additional programs from up to two "regional" series previously funded under the Act intended for less than nationwide utilization meeting the special needs of subgroups of minority groups as defined in § 185.02(f) which may be unique to a particular geographic region.

(20 U.S.C. 1610(b) (1).)

(b) (1) No more than one contract for a standard-length series shall be awarded for any one of the areas of concern described in subparagraphs (a) (1), (2), (3), (4), (5), and (6) of this section in any fiscal year, and no more than a maximum of five contracts shall be awarded for "regional" programming as described in subparagraphs (a) (7) and (a) (8) of this section in any fiscal year, unless the Assistant Secretary determines that the proposals pending before him for additional contracts for programming directed to the same area of concern are of exceptional merit or promise.

(3) No contract awarded for "regional" programming as described in subparagraph (a) (7) and (8) of this section shall exceed \$300,000 in amount.

(20 U.S.C. 1610(b) (1).)

(c) * * *

(2) Any contract between a recipient of funds under this subpart and a talent union must allow at least the following usages of the television programs assisted (except in cases where the Assistant Secretary finds that the cost of such usages would be excessive and authorizes lesser usages), charges for which may not be passed on to users:

(i) Six years of usage by public television stations (a year of usage being defined, for this purpose, as unrestricted use during three separate weeks of any given program within a series);

(ii) One broadcast by any single commercial television station (in addition to the commercial station broadcasts in

(iv) of this subparagraph) where there is no public television station serving that station's coverage area or where all public television stations serving that station's coverage area have exercised a right of first refusal;

(iii) Twelve years of unrestricted use in in-school audio-visual contexts, including transmission by education-dedicated, local origination CATV channels and Instructional Television Fixed Service systems; and

(iv) One broadcast in each of two three-year periods over commercial stations in any coverage area, including network originated broadcasts;

(3) Arrangements for making the television programs developed with funds under this subpart reasonably available for transmission, free of charge, shall be undertaken by the recipient and shall be subject to the approval of the Assistant Secretary; however, the Assistant Secretary may in addition assume responsibility for making such arrangements if such action is deemed appropriate. A recipient may not restrict usages, except as provided in subparagraph (c)(1) of this section or by an agreement giving exclusivity to the first station in a coverage area the right to broadcast a program, (whether or not the result of a network origination), until the thirteenth week following the week in which each such program is first broadcast.

(20 U.S.C. 1610(b)(2); Senate Report No. 92-61, pp. 24-25.)

(e) *Deliverables.* Recipients of funds under this subpart must produce the following items, of which those described in subparagraphs (3), (4), (6), and (7) must be provided to the Assistant Secretary at intervals specified by the Assistant Secretary, and of which those described in subparagraphs (1), (2) (except for one dub which may be retained by the recipient), (5), and (8) must be provided to the Assistant Secretary at the conclusion of the recipient's production activity:

(2) Four first generation two-inch color highband videotape dubs of each production in the series (except that only two dubs shall be required for programming described in § 185.72(a) (7) and (8));

(5) (ii) Four composite tapes of all six spots as first generation two-inch highband color, videotape dubs (except that only two tapes shall be required for programming described in § 185.72(a) (7) and (8)); and

(f) *Disclaimer.* Each program in a series assisted under this subpart must carry the following disclaimer: "This program was produced by (Name of Recipient) under a contract from the U.S. Department of Health, Education, and Welfare, Office of Education. The content of this program is the responsibility of the contractor and no official en-

dorsement by the Department, or the Office of Education, is to be inferred." Such language reflects the position of the Assistant Secretary.

(20 U.S.C. 1610(b)(1))

3. In § 185.73, subparagraphs (b), (c), (e)(4) and (5) are revised and a new subparagraph (6) is added to read as follows:

§ 185.73 Proposals.

(b) *Basic assurances.* Proposals for funds under this subpart shall comply with the requirements of § 185.13 (b), (c), (d), (f), (h), (k)(1)(i) and (ii), (k)(2), and (m).

(c) *Assurances by local educational agencies.* Proposals by local educational agencies for funds under this subpart shall comply with the requirements of § 185.13 (a), (g), (i), (j), (k)(1)(iii), (k)(3), (l), and (n), in addition to the requirements specified in paragraphs (b) and (e) of this section. Such proposals, together with all correspondence and other written materials relating thereto, shall be made readily available to the public by the proposer and the Assistant Secretary.

d * * *
(20 U.S.C. 1609(a), 1610(b)(1))

(e)(4) A statement of (i) past activities engaged in by the proposer or its officers or employees indicating the relative capability of the proposer to provide expertise in the development of integrated children's television programming, and to develop and produce the proposed television programs, and (ii) the access of the proposer to facilities necessary for such development and production;

(5) A budget detailing all costs of the proposed project; and

(6) For programming described in § 185.72(a)(1) and (8), a three-quarter inch videotape cassette of two programs previously assisted if of half-hour or quarter-hour length, or one program previously assisted if of one hour length.

(20 U.S.C. 1610(b)(1) and (3))

4. In § 185.74(c), the italicized sentence is changed to read:

(c) *Activities (66 points)—(1) Program content and design (40 points).*

5. In subparagraph (2), the italicized portion is changed to read: *Staffing (19 points).*

6. In subparagraph (4) the italicized portion is changed to read: *Advisory committee participation (5 points).*

7. In subparagraph (d) the italicized portion is changed to read: *Management (4 points).*

8. In § 185.74, subdivision (iii) of subparagraph (c)(2), and paragraph (d), are revised to read as follows:

§ 185.74 Criteria for awards.

(i) * * *

(ii) * * *

(iii) The extent to which provision is made for on-the-job training, in full-

time positions over the entire project period, to enable such trainees to become qualified to assume positions of technical and professional responsibility;

(20 U.S.C. 1610(b)(1), 1610(b)(3)(A))

(d) *Scheduling (4 points).* The quality of a detailed flow chart or milestone chart, submitted with the proposal, of activities sufficient to accomplish all proposed tasks. (20 U.S.C. 1610(b)(1))

9. Section § 185.77 is revised to read as follows:

§ 185.77 Required approval by Assistant Secretary of pilot materials.

A recipient of funds under this subpart must produce prototypical pilot materials at times specified by the Assistant Secretary. A recipient of funds for additional programs of a series previously assisted under the Act may use for this purpose a program produced with its most recent assistance. The recipient must then conduct an evaluation of such materials to serve as the formative evaluation of the series. No commitments by the recipient relating to production activity beyond the conduct of this evaluation will be recognized by the Assistant Secretary unless a favorable decision on project continuation is made by the Assistant Secretary. Any party with whom the recipient enters into a commitment for such production activity prior to such a favorable decision must be informed of this possibility of non-recognition at the time the commitment is entered into. An unfavorable decision on project continuation shall be a basis for termination pursuant to § 185.45.

(20 U.S.C. 1609(a)(15), 1610(b)(1), 1610(b)(3)(C).)

[FR Doc. 76-30840 Filed 10-19-76; 8:45 am]

Public Health Service

[42 CFR Part 52f]

NATIONAL CANCER INSTITUTE GRANTS FOR RESEARCH AND DEMONSTRATION CENTERS

Proposed PHS Regulations for Planning, Establishing, Strengthening and Supporting of Basic Operations

Section 408(b) of the Public Health Service Act, as added by the National Cancer Act of 1971 (Pub. L. 92-218), authorized the Director, National Cancer Institute, to make grants to plan, establish, coordinate, strengthen, and support the basic operation of centers for clinical research into, training in, and demonstration of, advanced diagnostic and treatment methods relating to cancer.

Notice is hereby given that the Assistant Secretary for Health, with the approval of the Secretary of Health, Education, and Welfare, proposes to adopt the regulations set forth below for the purpose of implementing § 408(b).

§ 52f.5(a) of the proposed regulations incorporates the ten characteristics of a comprehensive cancer center which were defined and adopted by the National

Cancer Advisory Board in June, 1972. During the review of the proposed regulations by the Department of Health, Education, and Welfare, it was suggested that two additional characteristics be added to the ten already enumerated. These additions are: "(11) The center must provide evidence that it has the resources and plans for assisting in effectively communicating the results of research and demonstration activities to practitioners, particularly in its community" and "(12) The center must provide assurance that, where applicable, it will coordinate its efforts with other clinical research, training, and demonstration programs in its community relevant to cancer research, including coordination through the Health Systems Agency". The National Cancer Institute will present these suggested additions to the National Cancer Advisory Board.

Written comments concerning these suggested additions as well as any other part of the proposed regulations are invited from interested persons. Inquiries may be addressed, and data, views and arguments relating to the regulations may be presented in writing, to the Office of the Director, National Cancer Institute, National Institutes of Health, Building 31, Room 11A-52, 9000 Rockville Pike, Bethesda, Maryland 20014. All comments received will be available for public inspection at said office on weekdays (Federal holidays excepted) between the hours of 8:30 a.m. and 5 p.m. All relevant material received on or before December 6, 1976, will be considered.

Notice is also given that it is proposed to make any amendments that are adopted effective October 20, 1976.

(Catalog of Federal Domestic Assistance Program No. 13.397, Cancer Center Support.)

Dated: August 23, 1976.

JAMES F. DICKSON,
Acting Assistant
Secretary for Health.

Approved: September 29, 1976.

MARJORIE LYNCH,
Acting Secretary.

It is therefore proposed to amend Subtitle A of Title 42 of the Code of Federal Regulations by adding the following new Part 52f:

PART 52F—NATIONAL CANCER INSTITUTE GRANTS FOR RESEARCH AND DEMONSTRATION CENTERS

Sec.

- 52f.1 Applicability.
- 52f.2 Definitions.
- 52f.3 Eligibility.
- 52f.4 Application.
- 52f.5 Requirements.
- 52f.6 Grant awards.
- 52f.7 Payment.
- 52f.8 Expenditure of grant funds.
- 52f.9 Nondiscrimination.
- 52f.10 Human subjects; animal welfare.
- 52f.11 Applicability of 45 CFR Part 74.
- 52f.12 Progress and fiscal records and reports.
- 52f.13 Grantee accountability.

Sec.

- 52f.14 Publications and copyright.
- 52f.15 Additional conditions.

AUTHORITY: Sec. 215, 58 Stat. 690, as amended (42 U.S.C. 216); sec. 408(b), 85 Stat. 781 (42 U.S.C. 286b(b)).

§ 52f.1 Applicability.

The regulations in this part apply to grants (other than for construction) to plan, establish, coordinate, strengthen, and support the basic operation of centers for clinical research into, training in, and demonstration of, advanced diagnostic and treatment methods relating to cancer, as authorized by section 408 (b) of the Public Health Service Act (42 U.S.C. 286b(b)).

§ 52f.2 Definitions.

As used in this Part:

(a) "Act" means the Public Health Service Act, as amended.

(b) "Board" means the National Cancer Advisory Board established by section 410B(a) of the Act (42 U.S.C. 286f(a)).

(c) "Director, NCI" means the Director of the National Cancer Institute and any officer or employee of said Institute to whom the authority involved has been delegated.

(d) "National Cancer Program" means the National Cancer Program referred to in section 407 of the Act (42 U.S.C. 286a).

(e) "Nonprofit" as applied to any agency or institution means an agency or institution which is a corporation or an association no part of the net earnings of which inures or may lawfully inure to the benefit of any private shareholder or individual.

(f) "Comprehensive cancer center" means a center conducting long-term multidisciplinary programs in the following areas: cancer research; training in cancer diagnosis and treatment; and cancer education.

(g) "Specialized cancer center" means a center having well-defined programs in one or more of the areas listed in paragraph (f) of this section, usually with special emphasis on one or more specific aspects of a particular area.

§ 52f.3 Eligibility.

To be eligible for a grant under this part, an applicant must be:

(a) A public or nonprofit private hospital or school of medicine or other public or nonprofit private agency or institution; and

(b) Located in a State, the District of Columbia, Puerto Rico, the Virgin Islands, the Canal Zone, Guam, American Samoa, or the Trust Territory of the Pacific Islands.

§ 52f.4 Application.

(a) Each agency or institution desiring a grant under this part shall submit

¹Single copies of the National Cancer Program Plan are available upon request from the Office of Program Planning and Analysis, National Cancer Institute, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20014.

an application in such form and manner and on or before such dates as the Director, NCI, may from time to time require.² Such application shall be executed by an individual authorized to act for the applicant and to assume on behalf of the applicant the obligations imposed by the terms and conditions of the award, including the regulations of this Part.

(b) In accordance with section 1-00-30 of the Department of Health, Education, and Welfare Grants Administration Manual,³ each private institution which does not already have on file with the National Institutes of Health evidence of nonprofit status, must submit with its application acceptable proof of such status.

(c) In addition to any other pertinent information that the Director, NCI, may require, each application shall set forth in detail:

(1) The personnel, facilities, and other resources currently available to the applicant with which to initiate and maintain the proposed center program;

(2) Any clinical research, training, or demonstration activities in which the applicant is currently engaged relating to advanced diagnostic or treatment methods for cancer; the sources of funding for such activities; and the relevance of these activities to the National Cancer Program;

(3) The names and qualifications of the center director and key staff members who would be responsible for conducting proposed activities of the center;

(4) The type of cancer center proposed (i.e., comprehensive or specialized);

(5) The proposed center program, including proposed clinical research and demonstration projects and information and education activities, and the relevance of each to the National Cancer Program;

(6) The opportunities that would be available for clinical training of professional personnel, including allied health professions personnel;

(7) The availability of community resources necessary to carry out the proposed activity;

(8) The organizational structure of the applicant;

(9) The proposed support period (not to exceed three years); a detailed budget for each of the support years including a list of other anticipated sources of support; and a justification for the amount of grant funds (not exceeding \$5,000,000 in any year) requested;

²Applications and instructions are available from the Division of Research Resources & Centers, National Cancer Institute, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20014.

³The Department of Health, Education, and Welfare Grants Administration Manual is available for public inspection and copying at the Department's and Regional Offices' information centers listed in 45 CFR 5.31 and may be purchased from the Superintendent of Documents, U.S. Printing Office, Washington, D.C. 20402.

(10) The proposed methods of monitoring and evaluating individual activities and the overall program;

(11) The proposed methods for coordination of center activities with the National Cancer Institute and the National Cancer Program; and

(12) A statement of policy consistent with the National Institutes of Health policy on reimbursement of patient care costs not attributable to the research effort; and

(13) To the extent not covered by the preceding subparagraphs, the manner in which the requirements in § 52f.5 will be satisfied.

§ 52f.5 Requirements.

(a) In order to receive support under this part, a comprehensive cancer center must substantially satisfy the following requirements:

(1) The center must be engaged in a broad range of activities involving clinical research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer.

(2) The center must have high quality interdisciplinary capability in the performance of diagnosis and treatment of malignant diseases.

(3) The center must have established high quality programs in the basic sciences.

(4) The center must maintain adequate statistical information to permit evaluation of the results of its activities.

(5) The center must have substantial ongoing research and training programs not supported under this part.

(6) The center must have sufficient facilities and other resources to conduct a high quality clinical research program.

(7) The center must participate in the National Cancer Program by coordinating and, where practicable, integrating its efforts with activities of other centers.

(8) The center must be an identifiable organizational unit of the grantee headed by a center director responsible for the center program.

(9) The center must have an administrative structure which will assure maximum efficiency of operation and sound financial practices.

(10) The center must have an advisory committee responsible for reviewing the center's programs at least annually, and making recommendations with respect thereto. The committee may not be made up entirely of persons who are officers, employees, or agents of, or are otherwise associated with the grantee, apart from their membership on the committee.

(b) In order to receive support under this part, a specialized cancer center must satisfy the following requirements:

(1) The center must be engaged in clinical research, training or demonstration of advanced diagnostic and treatment methods relating to cancer with

emphasis on specific well-defined areas of activity.

(2) The center must have sufficient facilities and other resources to conduct its activities.

(3) The center must be an identifiable organizational unit of the grantee headed by a center director responsible for the center program.

(4) The center must have an advisory committee responsible for reviewing the center's programs at least annually, and making recommendations with respect thereto. The committee may not be made up entirely of persons who are officers, employees, or agents of, or are otherwise associated with the grantee, apart from their membership on the committee.

§ 52f.6 Grant awards.

(a) Within the limits of funds available, after consultation with the Board, the Director, NCI, may award grants to applicants with proposed programs which in his judgment best promote the purposes of section 408(b) of the Act, taking into consideration among other pertinent factors:

(1) The scientific and technical merit of the overall proposed program and its individual components;

(2) The significance of said program in relation to the goals of the National Cancer Program;

(3) The qualifications and experience of the center director and other key personnel;

(4) The extent to which the center activities would be coordinated with the National Cancer Institute, other cancer centers, and the National Cancer Program;

(5) The administrative and managerial capability of the applicant;

(6) The reasonableness of the proposed budget in relation to the proposed program;

(7) The adequacy of the methods for monitoring and evaluating the overall program and its components; and

(8) The degree to which the application adequately provides for the requirements set forth in § 52f.5.

(b) All grant awards shall be in writing and shall specify the period of support (not to exceed three years), the total recommended amount of funds for the entire period of support, the approved budget for the initial budget period, and the amount awarded (not in excess of \$5,000,000 in any year) for the initial budget period.

(c) Neither the approval of any application nor any grant award shall commit or obligate the United States in any way to make any additional, supplemental, continuation, or other award with respect to any approved application or portion thereof.

(d) The amount of any grant award shall be determined by the Director, NCI, on the basis of his estimate of the sum necessary to pay all or part of the allowable costs for the budget period covered by the award.

(e) An initial period of support may be extended by the Director, NCI, for additional periods not in excess of three years each, after review of the opera-

tions of the grantee by an appropriate scientific review group established by the Director, NCI, and consultation with the Board, except if an additional period of support involves only the expenditure of funds previously awarded, consultation with the Board is not required.

§ 52f.7 Payment.

The Director, NCI, shall from time to time make payments to a grantee of all or a portion of any grant award, either in advance or by way of reimbursement, for expenses incurred or to be incurred in accordance with its approved application.

§ 52f.8 Expenditure of grant funds.

(a) Any funds granted pursuant to this part shall be expended solely for the purposes for which the funds were granted in accordance with the approved application and budget, the regulations of this part, the terms and conditions of the award, and the applicable cost principles prescribed by Subpart Q of 45 CFR Part 74.

(b) Any unobligated grant funds remaining in the grant account at the close of a budget period may, with prior approval by the Director, NCI, be carried forward and remain available for obligation during the remainder of the period of support and any extensions thereof (approved in accordance with § 52f.6(e) of this part), subject to such limitations as the Director, NCI, may prescribe. The amount of any subsequent award will take into consideration unobligated grant funds remaining in the grant account. At the end of the final period of support any unobligated grant funds remaining in the grant account must be refunded to the Federal Government.

§ 52f.9 Nondiscrimination.

(a) Attention is called to the requirements of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. 2000d et seq.) which provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. A regulation implementing such Title VI, which is applicable to grants made under this part, has been issued by the Secretary of Health, Education, and Welfare with the approval of the President (45 CFR Part 80).

(b) Attention is also called to the requirements of Title IX of the Education Amendments of 1972 and in particular to section 901 of such Act (20 U.S.C. 1681) which provides that no person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance.

(c) Grant funds used for alterations and renovations shall be subject to the condition that the grantee shall comply with the requirements of Executive Order 11246, 30 FR 12319 (September 24, 1965), as amended, and with the appli-

* The National Institutes of Health policy on reimbursement of such costs is available from the Division of Research Resources & Centers, National Cancer Institute, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20014.

cable rules, regulations, and procedures prescribed pursuant thereto.

(d) Attention is called to the requirements of section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which provides that no otherwise qualified handicapped individual in the United States shall, solely by reason of his handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

§ 52f.10 Human subjects; animal welfare.

Attention is called to the requirements of: (a) 45 CFR Part 46 pertaining to the protection of human subjects, and (b) Chapters 1-43 of the Department of Health, Education, and Welfare Grants Administration Manual pertaining to animal welfare.

§ 52f.11 Applicability of 45 CFR Part 74.

The provisions of 45 CFR Part 74, establishing uniform administrative requirements and cost principles, shall apply to all grants under this Part to State and local governments as those terms are defined in subpart A of Part 74. The relevant provisions of the following subparts of Part 74 shall also apply to grants to all other grantee organizations under this Part:

Subpart	45 CFR Part 74
A	General.
B	Cash Depositories.
C	Bonding and Insurance.
D	Retention and Custodial Requirements for Records.
F	Grant-Related Income.
G	Matching and Cost Sharing.
K	Grant Payment Requirements.
L	Budget Revision Procedures.
M	Grant Closeout, Suspension, and Termination.
O	Property.
Q	Cost Principles.

§ 52f.12 Progress and fiscal records and reports.

Each grant award shall require that the grantee maintain such progress and fiscal records and file with the Director, NCI, such progress and fiscal reports relating to the conduct and results of the approved grant and the use of grant funds as the Director, NCI, may find necessary to carry out the purposes of section 408(b) of the Act and the regulations.

§ 52f.13 Grantee accountability.

(a) All payments made by the Director, NCI, shall be recorded by the grantee in accounting records separate from the records of all other grant funds, including funds derived from other grant awards. With respect to each approved center the grantee shall account for the sum total of all amounts paid by presenting or otherwise making available to the Director, NCI, satisfactory evidence

of expenditures for direct and indirect costs meeting the requirements of this part.

(b) *Accounting for royalties.* Royalties received by grantees from copyrights on publications or other works developed under the grant, or from patents or inventions conceived or first actually reduced to practice in the course of or under such grant, shall be accounted for as follows:

(1) *State and local governments.* Where the grantee is a State or local government as those terms are defined in subpart A of 45 CFR Part 74 royalties shall be accounted for as provided in 45 CFR 74.44.

(2) *Grantees other than State and local governments.* Where the grantee is not a State or local government as those terms are defined in subpart A of 45 CFR Part 74, royalties shall be accounted for as follows:

(i) Patent royalties, whether received during or after the grant period, shall be governed by agreements between the Assistant Secretary for Health, Department of Health, Education, and Welfare, and the grantee, pursuant to the Department's patent regulations (45 CFR Parts 6 and 8).

(ii) Copyright royalties, whether received during or after the grant period, shall first be used to reduce the Federal share of the grant to cover the costs of publishing or producing the materials, and any royalties in excess of the costs of publishing or producing the materials shall be distributed in accordance with Chapters 1-420 of the Department of Health, Education, and Welfare Grants Administration Manual.

§ 52f.14 Publications and copyright.

(a) *State and local governments.* Where the grantee is a State or local government as those terms are defined in subpart A of 45 CFR Part 74, the Department of Health, Education, and Welfare copyright requirement set forth in 45 CFR 74.140 shall apply with respect to any book or other copyrightable materials developed or resulting from an activity supported by a grant under this part.

(b) *Grantees other than State and local governments.* Where the grantee is not a State or local government as those terms are defined in subpart A of 45 CFR Part 74, except as may otherwise be provided under the terms and conditions of the award, the grantee may copyright without prior approval any publications, films, or similar materials developed or resulting from an activity supported by a grant under this part, subject to a royalty-free, non-exclusive, and irrevocable license or right in the Government to reproduce, translate, publish, use, disseminate and dispose of such material, and to authorize others to do so.

§ 52f.15 Additional conditions.

The Director, NCI, may with respect to any grant award impose additional conditions prior to or at the time of any award when in his judgment such condi-

tions are necessary to assure or protect advancement of the approved program, the interests of the public health or the conservation of grant funds.

[FR Doc.76-30583 Filed 10-19-76;8:45 am]

Social Security Administration

[20 CFR Part 405]

[Regulations No. 5]

FEDERAL HEALTH INSURANCE FOR THE AGED AND DISABLED

Recovery of Excess Cost Resulting From the Use of Accelerated Depreciation When Termination of the Provider Agreement Results From a Transaction Between Related Organizations

Notice is hereby given, pursuant to the Administrative Procedure Act (5 U.S.C. 553), that the amendment to Subpart D of Regulations No. 5 set forth in tentative form below is proposed by the Commissioner of Social Security with the approval of the Secretary of Health, Education, and Welfare. The proposed amendment, which has been in process since October 1975 and does not have major program significance, provides that when the termination of the provider agreement is due to a change in provider ownership resulting from a transaction between related organizations, and certain other conditions are met, the provisions concerning the recovery of excess cost resulting from the use of accelerated depreciation would not be applied. The proposed amendment, which is of a technical nature, eliminates an unproductive administrative burden and unnecessary expense on both the Social Security Administration and the providers of services when termination of a provider agreement takes place under certain specific circumstances. The proposed revision responds to the concerns of a corporate chain of providers for more equitable handling of depreciation in such instances. In keeping with the spirit and intent of the Secretary's regulation development policies announced on July 25, 1976, publication of this notice will provide ample and adequate notice to all interested individuals and organizations. The purpose of the current provision requiring the recovery of excess cost resulting from the terminated provider's use of accelerated depreciation is to insure that the program pay only the reasonable cost of services furnished to Medicare beneficiaries. However, when termination of the provider agreement results from a transaction between related organizations, and the successor provider remains in the health insurance program, and its asset bases are the same as those of the terminated provider, the health insurance program is not disadvantaged by the termination. The proposed regulation, therefore, provides that when these conditions are met, the provisions concerning the recovery of excess cost will not be applied. Interested parties will have 45 days after publication December 6, 1976 to submit their views and comments.

Current regulations require that when a provider who has used accelerated depreciation terminates participation in the health insurance program, depreciation claimed by the provider in excess of straight-line depreciation is to be recovered by the health insurance program. The intention of the current regulation is to insure that the health insurance program pay providers only the reasonable cost of services furnished to Medicare beneficiaries. Without the provision for the recovery of excess depreciation, a provider who had been allowed depreciation at an accelerated rate, and, thus, received disproportionately high depreciation payments from the health insurance program in its initial years of participation, would avoid rendering services at compensatingly low depreciation allowances in later years, if it terminated participation in the health insurance program.

However, when termination of the provider agreement results from a transaction between related organizations, as defined in 20 CFR 405.427, and the successor provider remains in the health insurance program and its asset bases are the same as those of the terminated provider's, health insurance program reimbursement is equitable to all parties.

The proposed revision provides, therefore, that when the termination of the provider agreement is due to such a transaction, and certain other conditions are met, the provisions for the recovery of accelerated depreciation will not be applied.

If there are any questions concerning this regulation, you may contact John Jansak, Branch Chief, 6401 Security Boulevard, Baltimore, Maryland 21235, telephone (301)-594-9820. Mr. Jansak will respond to questions but will not accept comments on this regulation.

Prior to the final adoption of the proposed amendment to the regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing to the Commissioner of Social Security, Department of Health, Education, and Welfare, P.O. Box 1585, Baltimore, Maryland 21203, within a period of 45 days from the date of publication of this notice in the FEDERAL REGISTER.

Copies of all comments received in response to this notice will be available for public inspection during regular business hours at the Washington Inquiries Section, Office of Information, Social Security Administration, Department of Health, Education, and Welfare, North Building, Room 4146, 330 Independence Avenue, SW., Washington, D.C. 20201.

(Secs. 1102, 1815, 1861(v)(1)(A), and 1871 of the Social Security Act, 49 Stat. 647, as amended, 79 Stat. 297, 79 Stat. 322, as amended, and 79 Stat. 331; 42 U.S.C. 1302, 1395g, 1395x(v)(1)(A), and 1395hh.)

(Catalog of Federal Domestic Assistance Program No. 13.800, Health Insurance for the Aged—Hospital Insurance; No. 13.801, Health

Insurance for the Aged—Supplementary Medical Insurance.)

It is hereby certified that this proposal has been screened pursuant to Executive Order No. 11821, and does not require an Inflation Impact Evaluation.

Dated: September 17, 1976.

J. B. CARDWELL,
Commissioner of
Social Security.

Approved: October 14, 1976.

MARJORIE LYNCH,
Acting Secretary of Health,
Education, and Welfare.

PART 405—FEDERAL HEALTH INSURANCE FOR THE AGED AND DISABLED (1965.....)

Part 405 of Chapter III of Title 20 of the Code of Federal Regulations, is amended as follows:

In § 405.415, paragraph (d) is amended by adding headings for paragraphs (d) (1), (d) (2), and (d) (3), redesignating the material in the present paragraph (d) (3) as paragraph (d) (3) (i), adding a heading for such redesignated paragraph, and adding paragraph (d) (3) (ii). The added headings and paragraph (d) (3) (ii) read as follows:

§ 405.415 Depreciation: Allowance for depreciation based on asset costs.

(d) Depreciation methods. (1) General. . . .

(2) Change in method. . . .

(3) Recovery of accelerated depreciation. (i) General. . . .

(ii) Transaction between related organizations. (a) General. When the termination of the provider agreement is due to a change in provider ownership, as defined in §§ 405.625 and 405.626, resulting from a transaction between related organizations, as defined in § 405.427, and the criteria in paragraph (b) of this section are met, the excess of reimbursable cost, as determined in paragraph (d) (3) (i) of this section shall not be recovered if there is a continuation of participation by the facility in the health insurance program.

(b) Criteria. The following criteria must be met if the recovery of excess reimbursable cost is not to be made:

(1) The termination of the provider agreement is due to a change in ownership of the provider resulting from a transaction between related organizations.

(2) The successor provider continues to participate in the health insurance program.

(3) Control and the extent of the financial interest of the owners of the provider before and after the termination remain the same; that is, the successor owners acquire the same percentage of control or financial investment as the transferors had, and

(4) all assets and liabilities of the terminated provider are transferred to the related successor participating provider.

38 FR 13637, May 24, 1973.

(c) Effect of transaction. In transactions meeting the criteria specified in paragraph (d) (3) (ii) (b) of this section, the provision concerning recovery of excess reimbursable cost (§ 405.415(d) (3) (i)) is not applied, and the transaction is treated as follows:

(1) the successor provider must record the historical cost and accumulated depreciation and the method of depreciation recognized under the health insurance program, and these are considered as incurred by the successor provider for health insurance purposes;

(2) the health insurance program's utilization of the terminated provider is considered as having been incurred by the successor provider for health insurance program purposes; and

(3) the equity capital of the successor provider as of the beginning of its first cost reporting period must be the same as the equity capital of the terminated provider as of the closing of its final cost reporting period.

[FR Doc.76-30842 Filed 10-19-76;8:45 am]

CIVIL AERONAUTICS BOARD

[14 CFR Parts 207, 208, 212, 214]

[EDR-310; Docket No. 29434;

Dated October 15, 1976]

CARRIER CHARGES FOR FERRY MILEAGE

Reexamination of Board Policies

Notice is hereby given that the Civil Aeronautics Board is considering the amendment of Parts 207, 208, 212, and 214 of its Economic Regulations (14 CFR Parts 207, 208, 212 and 214), to allow carriers and charterers to enter into contracts providing for firm prices for estimated ferry mileage to be flown in connection with the performance of charter contracts, in lieu of the present regulations which provide that—except for single entity charterers—the charterer must refund estimated ferry mileage which is not actually flown, but may not receive additional payment for mileage flown in excess of the estimate. This notice of proposed rulemaking is being issued to invite participation in this proceeding by United States and foreign direct and indirect air carriers, passengers and freight charterers and chartering organizations, interested governmental agencies, consumer organizations, and members of the general public.

The background and purpose of this proceeding is explained in the attached Explanatory Statement, and the proposed amendments are set forth in the attached proposed rules. This notice is issued under the authority of Sections 204(a), 401, 402 and 407 of the Federal Aviation Act of 1958, as amended, 72 Stat. 743, 754 (as amended), 757, and 766 (as amended); 49 U.S.C. 1324, 1371, 1373 and 1377.

Interested persons may participate in this proceeding by submitting twenty (20) copies of written data, views, or arguments addressed to:

Docket 29434, Docket Section, Civil Aeronautics Board, Washington, D.C.

20428. All relevant material received on or before December 6, 1976, will be considered by the Board before taking further action in this proceeding. Copies of such communications will be available for examination by interested persons in the Docket Section, Room 711, Universal Building, 1825 Connecticut Avenue, N.W., Washington, D.C., upon their receipt.

Individual members of the general public who wish to express their interest as consumers by participating informally in this proceeding may do so by submitting comments in letter form to the address indicated above, without the necessity of filing additional copies.

By the Civil Aeronautics Board.

PHYLLIS T. KAYLOR,
Secretary.

EXPLANATORY STATEMENT

Section 207.13(a) of the Board's Economic Regulations (14 CFR § 207.13(a)), applying to U.S. route carriers, provides that, if a carrier's charter charge computed according to a mileage tariff includes a charge for ferry mileage, then the carrier must refund to the charterer any sum charged for mileage which is not in fact flown, but may not make additional charges for mileage exceeding that stated in the contract, unless the additional mileage is flown for the convenience of, and at the express direction of, the charterer. The same provision is contained in Part 208 (§ 208.32(b)) relating to charters performed by U.S. supplemental carriers, and in Parts 212 and 214 (§§ 212.10(a) and 214.14(a)), relating to charters performed by foreign route and charter air carriers, respectively. This provision does not apply to single entity charters: in Parts 207, 208, and 212 single entity charters are expressly excluded from this provision (§§ 207.51, 208.301, and 212.51, respectively), while no express exclusion from the provision is needed in Part 214, since the provision is set forth among those which apply only to *pro rata* charters.

The subject provision reflects a long-standing Board policy, first enunciated in the following terms in the 1958 Transatlantic Charter Policy Statement:¹

In those cases where carriers utilize tariffs showing live and ferry mileage, the policy requires a refund to the charterer if in fact the amount of ferry mileage envisaged at the time the charter contract was signed does not in fact materialize. However, as to ferrying performed in excess of that contracted for (except where requested by the charterer) the policy provides that the burden should be on the carrier—since it, rather than the charterer, is knowledgeable as to its aircraft utilization and positioning problems—to foresee the ferrying that will be necessary and to contract accordingly.

While originally pertaining only to U.S. and foreign charter carriers the provision was subsequently extended to U.S. and foreign route carriers, the Board stating that its purpose was to ensure fair treatment of charterers with respect to matters in which they had no expertise.²

United Air Lines has now filed a rule-making petition requesting consideration of amendments to our rules which would remove the requirement that a carrier must refund to all types of charterers (excepting single entity charterers) the charge for unflown ferry mileage. Basically, United's argument is that the refund requirement is inappropriate in the current charter market, in which charterers are usually indirect air carriers, i.e., persons in the business of operating charters under our various rules, such as one-stop-inclusive tour charters (OTC's), overseas military personnel charters (OMPC's), and study group charters (SGC's). It contends that current charterers are thus similar to single entity charterers, in that they are economically sophisticated, and should be treated in the same fashion. In addition, United states that the Board's Special Regulations with respect to charters do not specifically require charter operators to refund to their customers for estimated ferry mileage not flown, so that consumers—whom the provision is designed to protect—may not in fact receive any benefit from a refund made to the charterer.

Answers in support of United's petition have been filed by American Airlines, Pan American World Airways, and Trans World Airlines. American contends that the refund rule discourages charter service by depressing profits and urges that, even if it is retained for affinity groups, the requirement should be repealed for tour operators and travel group organizers. Pan American sets forth in some detail various factors which complicate the estimating of mileage and the positioning of aircraft. Although stating that it operates significant amounts of unpaid ferry mileage, it does not seek authority to collect these amounts but agrees that the charter contract should control, with no refunds and no additional charges unless the extra mileage is flown for the convenience of, and at the express direction of, the charterer.

Upon consideration of the petition and answers, we have determined to institute this rulemaking proceeding. Several new categories of charter have come into existence since the policy underlying the subject rules was formulated. Reviewing that policy in light of present conditions, as discussed in the petition and answers, we have tentatively concluded that our rules should be amended in accordance with United's request.

Although the present provisions may be said to favor charterers, in that the final price of the charter might prove to be less than—but can never be more than—the contract price, the system inevitably works in an arbitrary manner: the total price for two identical charters may vary markedly, depending on the happenstance of whether the carrier's aircraft chanced to be located immediately prior to entering the service of a particular charterer, and on the point of origin of the next flight commitment which the carrier decides to satisfy with that particular plane.

The proposed rules attached hereto thus will establish a system under which carriers and all types of charterers may agree in advance on a total charter price, including a stipulated charge for ferry mileage, which will remain firm despite any variance between the estimated mileage and actual mileage.

When this firm-pricing method is used, however, the carrier would be required to base its estimate on some reasonable and nondiscriminatory method. We will not attempt to prescribe any particular method at this time, because there would appear to be a number of methods which could be used. One of these, for example, may be the "basing point" method described by United, which essentially uses an historical average of ferry miles required to move its planes to a particular origin point. Another carrier might choose to charge all charterers a proportionate share of its overall ratio of ferry miles to live miles for the preceding year. Given the possibility that different carriers might choose, for legitimate economic reasons relating to their particular aircraft utilization situations, to use different methods of estimating ferry mileage, we do not believe that the carriers' initiative should be foreclosed by a rule imposing a single prescribed method of estimating ferry mileage charges.

To assist in ensuring that carriers will not attempt to adopt a method which might unduly discriminate between different charterers or classes of charterers, we are also proposing to require carriers to clearly set forth in all charter contracts the basis used to estimate ferry mileage. Any potential charterer believing that the particular method utilized by the carrier is unfair will thereby be able to raise that issue with the Board, by complaint or petition for rulemaking.

Finally, our proposal would apply to all types of charters, *pro rata* as well as single entity, and to those conducted both with and without organizers acting as indirect air carriers pursuant to the authority conferred in our Special Regulations. We are aware that in the past we were of the view that the refund requirement was necessary to protect the interest of *pro rata* charter participants. Such charters are now, however, typically arranged by agents acting on behalf of chartering organizations who are competent professionals. Thus the "firm price" system proposed here will probably serve their interests as well as those contained in the present regulations, without burdening others of the carriers' passengers with the costs of unrecovered ferry mileage expenses.

Finally, we wish to emphasize that our conclusions here are only tentative: all comments, including those from individuals and organizations favoring retention of the present regulations, will be carefully considered before further action is taken.

PROPOSED RULES

It is proposed to amend Parts 207, 208, 212, and 214 of the Board's Economic Regulations (14 CFR Parts 207, 208, 212, and 214), as set forth below:

¹ PS No. 3, January 7, 1958, p. 2.

² See ER-659, January 27, 1971, pp. 6-7.

PART 207—CHARTER TRIPS AND SPECIAL SERVICES

7. Revise § 207.13(a) to read as follows:

§ 207.13 Terms of service.

(a) The total charter price and other terms of service rendered pursuant to this part shall conform to those set forth in the applicable tariff on file with the Board and in force at the time of the respective charter flight and the contract must be for the entire capacity or for less than the entire capacity (see § 207.11(c)) of one or more aircraft. Where a carrier's charter price includes a charge for ferry mileage, the carrier shall compute its estimate of anticipated ferry mileage on a reasonable and non-discriminatory basis, and such basis shall be expressly set forth in the charter contract. Charter contracts may provide that the stated charge for estimated ferry mileage will be the stipulated charge for ferry mileage (i.e., refunds shall not be paid to charterers for estimated ferry mileage not in fact flown, and charterers shall not be charged additional sums for ferry mileage in excess of the estimate on which the stipulated charge was based).

2. Revise § 207.51 to read as follows:

§ 207.51 Terms of service.

The provisions of paragraph (a) of § 207.13 shall apply to charters under this subpart.

PART 208—TERMS, CONDITIONS AND LIMITATIONS OF FOREIGN AIR CARRIER PERMITS AUTHORIZING CHARTER TRANSPORTATION ONLY

3. Revise § 208.32(b) to read as follows:

§ 208.32 Tariffs and terms of service.

(b) The total charter price and other terms of service rendered pursuant to this part shall conform to those set forth in the applicable tariff on file with the Board and in force at the time of the respective charter flight and the contract must be for the entire capacity or for less than the entire capacity (see § 208.6(c)) of one or more aircraft. Where a carrier's charter price includes a charge for ferry mileage, the carrier shall compute its estimate of anticipated ferry mileage on a reasonable and non-discriminatory basis, and such basis shall be expressly set forth in the charter contract. Charter contracts may provide that the stated charge for estimated ferry mileage will be the stipulated charge for ferry mileage (i.e., refunds shall not be paid to charterers for estimated ferry mileage not in fact flown, and charterers shall not be charged additional sums for ferry mileage in excess of the estimate on which the stipulated charge was based).

4. Revise § 208.301 to read as follows:

§ 208.301 Tariffs and terms of service.

The provisions of § 208.32 shall apply to charters under this subpart, except that paragraphs (e) and (f) shall not be so applicable.

PART 212—CHARTER TRIPS BY FOREIGN AIR CARRIERS

5. Revise § 212.10(a) to read as follows:

§ 212.10 Terms of service.

(a) The total charter price and other terms of service rendered pursuant to this part shall conform to those set forth in the applicable tariff on file with the Board and in force at the time of the respective charter flight and the contract must be for the entire capacity or for less than the entire capacity (see § 212.8(b)) of one or more aircraft. Where a carrier's charter price includes a charge for ferry mileage, the carrier shall compute its estimate of anticipated ferry mileage on a reasonable and non-discriminatory basis, and such basis shall be expressly set forth in the charter contract. Charter contracts may provide that the stated charge for estimated ferry mileage will be the stipulated charge for ferry mileage (i.e., refunds shall not be paid to charterers for estimated ferry mileage not in fact flown, and charterers shall not be charged additional sums for ferry mileage in excess of the estimate on which the stipulated charge was based).

6. Revise § 212.51 to read as follows:

§ 212.51 Terms of service.

The provisions of paragraph (a) of § 212.10 shall apply to charters under this subpart.

PART 214—TERMS, CONDITIONS AND LIMITATIONS OF FOREIGN AIR CARRIER PERMITS AUTHORIZING CHARTER TRANSPORTATION ONLY

7. Revise § 214.14(a) to read as follows:

§ 214.14 Terms of service.

(a) The total charter price and other terms of service rendered pursuant to this part shall conform to those set forth in the applicable tariff on file with the Board and in force at the time of the respective charter flight and the contract must be for the entire capacity or for less than the entire capacity (see § 214.7(b)) of one or more aircraft. Where a carrier's charter price includes a charge for ferry mileage, the carrier shall compute the estimate on a reasonable and non-discriminatory basis, and such basis shall be expressly set forth in the charter contract. Charter contracts may provide that the stated charge for estimated ferry mileage will be the stipulated charge for ferry mileage (i.e., refunds shall not be paid to charterers for estimated ferry mileage not in fact flown, and charterers shall not be charged additional sums for ferry mileage in excess of the estimate on which the stipulated charge was based).

8. Revise § 214.41 to read as follows:

§ 214.41 Terms of service.

The provisions of paragraph (a) of § 214.41 shall apply to charters under this subpart.

[FR Doc. 76-30794 Filed 10-19-76; 8:45 am]

[14 CFR Part 241]

[EDR-308; Docket 29913]

UNIFORM SYSTEM OF ACCOUNTS AND REPORTS FOR CERTIFICATED AIR CARRIERS

CAB/SEC Single Reporting System and Updating the Accounting and Reporting Provisions¹

OCTOBER 12, 1976.

Notice is hereby given that the Civil Aeronautics Board has under consideration a proposed amendment to Part 241 of the Economic Regulations (14 CFR Part 241) which would establish a CAB/SEC single reporting system and update the accounting and reporting provisions of Part 241 of the Economic Regulations in a manner which is consistent with the needs of the Board.

The principal features of the proposed amendment are described in the attached Explanatory Statement and the proposed amendments are set forth in the Proposed Rule. The amendments are proposed under the authority of sections 204 (a), 401(e)(6), and 407 of the Federal Aviation Act of 1958, as amended (72 Stat. 743, 754, and 766; 49 U.S.C. 1324, 1371, and 1377).

Interested persons may participate in the proposed rule making through submission of twenty (20) copies of written data, views, or arguments pertaining thereto, addressed to the Docket Section, Civil Aeronautics Board, Washington, D.C. 20428. Individual members of the general public who wish to express their interest as consumers by participating informally in this proceeding may do so through submission of comments in letter form to the Docket Section at the above address, without the necessity of filing additional copies thereof. Copies of such communications will be available for examination by interested persons in the Docket Section of the Board, Room 711, Universal Building, 1825 Connecticut Avenue, NW., Washington, D.C. upon receipt thereof.

All relevant material received on or before November 19, 1976, will be considered by the Board before taking final action on the proposed rule.

By the Civil Aeronautics Board.

PHYLLIS T. KAYLOR,
Secretary.

EXPLANATORY STATEMENT

In connection with the Board's overall goal of reducing air carrier reporting burden, a searching self-appraisal program has been established to continually review the accounting and reporting requirements imposed on the industry by Part 241 of the Economic Regulations, *Uniform System of Accounts and Reports for Certificated Air Carriers (USAR)*. As an integral part of this program, we believe that changes can be made to the USAR to improve the utility of the financial data reported under this system. Accordingly, we have taken the actions necessary to identify these changes.

First, we examined the USAR to isolate situations where duplicative reporting by

¹ Appendices A through DD filed as part of original.

the air carriers to the CAB and other governmental agencies might exist. In this regard, discussions with the Securities and Exchange Commission (SEC) were initiated in October 1975, and an SEC/CAB task force was formed to identify areas in which similar data were being submitted to both agencies and to design formats that would allow single reporting to both agencies. As a result of the work of this task force, draft revised CAB Form 41 schedules were designed which would satisfy the needs of both agencies. In a letter from Mr. George A. Fitzsimmons, Secretary of the SEC, dated September 1, 1976, attached hereto as Exhibit A, the Commission indicated that it will accept CAB Form 41 schedules specifically designed for single reporting in satisfaction of the financial statement reporting requirements of SEC annual Form 10-K and quarterly Form 10-Q reports filed under the Securities Exchange Act of 1934, as amended.

Acceptance of CAB Form 41 schedules by the SEC represents a significant step forward in our efforts toward simplifying reporting burdens.

Second, in the same light, we reviewed the differences that exist between air carrier accounting and reporting practices reflected in certified financial statements presented to the public in the form of annual reports, as well as those included in filings with the SEC, and the accounting and reporting requirements contained in the USAR. Differences in accounting and reporting practices were identified through the review of the annual reports, filed pursuant to Part 248 of the Economic Regulations, which reconcile audited financial statements to CAB Form 41 Schedules B-1 "Balance Sheet" and P-1 "Income Statement." As a result of this review, we have found that certain recurring differences exist that can no longer be justified by regulatory need and should be eliminated through condensation of accounts and new descriptive account titles for CAB Form 41 reporting purposes.

While the elimination of these differences will reduce the number of items to be reconciled under Part 248, only those carriers who avail themselves of the opportunity to submit CAB Form 41 schedules B-1 and P-1 to the SEC in accordance with the CAB/SEC single reporting system, as noted herein, will be entirely relieved of filing the Part 248 reconciliations.

Third, we have taken steps to reduce the time lag in incorporating generally accepted accounting principles into the USAR. Historically, the USAR has been modified to include generally accepted accounting principles to assure that the Board's accounting and reporting requirements are compatible with the numerous policy pronouncements being issued by professional organizations and governmental bodies responsible for molding accounting principles and disclosure standards for American business. Such actions have made it easier to maintain the comparability of accounting practice throughout the industry and have ameliorated the task of utilizing the USAR for both the Board and the re-

porting carriers. In order to minimize the burden associated with maintaining different accounting records needed to reflect any nonconformance between the USAR and generally accepted accounting principles, it is our intent to incorporate these principles into the USAR, from time to time, by appropriate regulatory action, and as expeditiously as possible, except to the extent that such action may be precluded by our statutory duties.

Fourth, we have intensified efforts to identify and eliminate accounting and reporting requirements that are no longer necessary. With the passage of time the Board's regulatory need for data sometimes changes, and the carrier burden in compiling and reporting such data begins to outweigh the benefits derived from its use by the Board's staff. Obviously, the carriers should be relieved of this burden once a reporting requirement cannot be reasonably justified.

As a result of the above actions, we are proposing to amend the USAR to: (1) adopt the CAB/SEC single reporting formats and related changes in the accounting and reporting provisions; (2) incorporate the provisions of Statements of Financial Accounting Standards No. 8 "Accounting for the Translation of Foreign Currency Transactions and Foreign Currency Financial Statements," and No. 12 "Accounting for Certain Marketable Securities" which have been issued by the Financial Accounting Standards Board; and (3) eliminate the detailed reporting required in the area of deferred income taxes which has been found to be unnecessary.

CAB/SEC SINGLE REPORTING

We are proposing to revise ten CAB Form 41 schedules so that they will meet the financial statement requirements of the SEC and still satisfy the regulatory needs of the CAB. Not only will these revisions permit single reporting to both agencies, but they will also accomplish our objective of reducing differences between air carrier accounting and reporting practices reflected in certified financial statements and the requirements contained in the USAR.

Essentially, we are proposing to modify the title and content of CAB Form 41 reporting schedules, which will comprise the single reporting system, as follows:

A. Schedule B-1 "Balance Sheet"—Current asset, operating property and equipment, and other asset accounts have been condensed; account titles have been updated; and a column for annual comparative reporting purposes has been added.

B. Schedules B-2 "General Notes to Financial Statements" and P-2 "Notes to CAB Form 41 Report"—Schedule B-2 has been designed for reporting the annual notes to the financial statements which are contained in the SEC footnote disclosure requirements (as noted below) while quarterly schedule P-2 will contain all other notes to CAB Form 41 schedules required by Part 241.

C. Schedule B-3 "Statement of Changes in Stockholders' Equity"—The section titled "Paid-In Capital as at End

of Quarter" has been updated to reflect a statement of changes in stockholders' equity. Additionally, the sections on appropriations of retained earnings and deferred income taxes have been eliminated.

D. Schedule B-4(a) "Valuation and Qualifying Accounts"—Reporting has been expanded to include all valuation accounts (i.e., Account 1311 "Allowance for Obsolescence" and Account 1530.2 "Allowance for Net Unrealized Loss on Noncurrent Marketable Equity Securities" in addition to Account 1290 "Allowance for Uncollectible Accounts") with a detailed breakdown within each valuation account, such as was required for account 1290, no longer being required.

E. Schedule B-5 "Property and Equipment"—Flight equipment rotatable parts and assemblies accounts and the ground property and equipment accounts have been condensed and the account titles have been updated. In addition, the reporting of regulatory components of depreciation has been deleted from this schedule and included on new Schedule B-6 "Accumulations of Regulatory Components of Flight Equipment Depreciation."

F. Schedule B-10 "Unamortized Developmental and Preoperating Costs"—The terminology used has been updated to reflect generally accepted accounting practices.

G. Schedule B-12 "Statement of Changes in Financial Position"—A summary of changes in working capital has been added and account titles have been updated where appropriate.

H. Schedule B-46 "Long-Term and Short-Term Nontrade Debt"—The columnar headings have been updated. In addition, the data relative to the holders of more than 5% or \$500,000, of issues of long-term and short-term nontrade debt has been excluded from schedule B-46 and will be collected separately on a new schedule B-47 as noted below.

I. Schedules P-1.1 and P-1.2 "Statement of Operations"—Account titles have been updated, nonoperating accounts expanded, revenue accounts condensed, and the annual reporting of earnings per share data added.

Beyond these changes, we are also proposing the addition of a Schedule B-6 "Accumulation of Regulatory Components of Flight Equipment Depreciation" and a new Schedule B-47 "Holders of More Than 5% or \$500,000, Whichever is Smaller, of Issues of Long-Term and Short-Term Nontrade Debt." Schedule B-6 will provide for the reporting of data deleted from schedule B-5 which is needed for determining return on investment. Schedule B-47 will provide for the reporting of data deleted from schedule B-46 which is needed to comply with the Board's financial and corporate disclosure requirements. Furthermore, we have proposed changes to Form 41 schedules with a tie-in to the single reporting system to provide consistency in accounting and reporting.

Specifically, the proposed revised Form 41 schedules will satisfy SEC Form 10-K requirements as follows:

CAB form 41 schedule

SEC form 10-K item 10 requirement

B-1: Balance sheet.....	Balance sheet.
P-1.1, P-1.2: Statement of operations.....	Income statement.
B-12: Statement of changes in financial position.....	Statement of sources and application of funds.
B-3: Statement of changes in stockholders' equity.....	Schedule XII—capital shares.
B-2: General notes to financial statements.....	General notes to financial statements.
B-4(a): Valuation and qualifying accounts.....	Schedule XII—valuation and qualifying accounts and reserves.
B-5: Property and equipment.....	Schedule V—property, plant, and equipment.
B-10: Unamortized developmental and preoperating costs.....	Schedule VI—accumulated depreciation, depletion, and amortization of property, plant, and equipment.
B-46: Long-term and short-term nontrade debt.....	Schedule VII—intangible assets, deferred research and developmental expenses, preoperating expenses, and similar deferrals.
	Schedule IX—bonds, mortgages, and similar debt.

In addition, schedules B-1 and P-1.1 or P-1.2 have been made acceptable for submission as the basic financial statements required to be filed as a part of quarterly SEC Form 10-Q.

Furthermore, we have found the financial footnote disclosure requirements of the SEC to be more informative than those of the Board. Accordingly, in order to permit more meaningful analysis by the Board's staff, we are proposing to adopt the SEC footnote requirements in total. These footnotes will apply only to the air carrier entity reporting to the CAB and will be submitted on an annual basis. In cases where the CAB and SEC footnotes are identical (i.e., the entity reporting to both agencies is the same) it is proposed that the carriers will be permitted to photocopy the notes submitted to the SEC and submit this copy in lieu of schedule B-2. Footnotes included on schedule B-2 will not need to be duplicated on schedule P-2; therefore, schedule P-2 will contain only those notes which are solely applicable to CAB regulatory reporting requirements.

FOREIGN CURRENCY TRANSLATIONS

In connection with foreign currency translations, the Board's accounting regulations, as reflected in Section 2-3 "Transactions in Foreign Currencies" of the USAR, employ a "current/non-current" approach. Under this approach, current assets and current liabilities are restated quarterly, at current exchange rates, while noncurrent assets and liabilities remain stated at historical rates. Gains and losses are segregated between routine and nonroutine exchange rate fluctuations and taken into income as they occur.

In October 1975, the Financial Accounting Standards Board issued a Statement of Financial Accounting Standards No. 8—"Accounting for the Translation of Foreign Currency Transactions and Foreign Currency Financial Statements." Essentially, FASB Statement No. 8 requires:

- (1) The translation of assets and liabilities which represent money or claims to money (cash, receivables, payables) at current rates;
- (2) Other accounts which are carried at prices in past exchanges (property, inventory, goodwill) to be translated at historical rates; except that current rates are used to translate assets and liabilities accounted for at current prices (such as marketable securities and inventories carried at replacement cost or current selling price); and
- (3) Exchange gains and losses, with the exception of those connected with forward

exchange contracts, to be reflected in operations as they occur.

Accordingly, a conflict has arisen because of the Board's use of the "current/non-current" approach. For example, under the Board's approach, long-term debt and inventory carried at cost would be classified as noncurrent and current assets, respectively. As a result of this classification, long-term debt would be translated at the historical foreign exchange rate while the inventory (at cost) would be translated at the current rate. Conversely, under the provisions of FASB Statement No. 8, long-term debt represents an amount owned in current dollars and, therefore, would be adjusted to reflect the current rate of exchange. In addition, inventory carried at cost would use historical cost as the measurement basis for determining gain or loss upon translation.

A conflict also exists in the recording of exchange gains and losses. Current USAR provisions provide for a distinction between routine exchange gains and losses arising from normal, day-to-day exchange rate fluctuations, and those resulting from nonroutine or unusual changes in the rates of foreign exchange. FASB Statement No. 8 makes no such distinction but merely requires that exchange gains and losses be included in determining net income for the period in which the rate changes.

Therefore, in order to relieve the carriers from the burden of maintaining two methods of accounting for foreign currency translations, we are proposing to amend Section 2-3 "Transactions in Foreign Currencies" to reflect the standards promulgated in FASB Statement No. 8. In addition, we are proposing to eliminate the existing objective accounts 76 "Foreign Exchange Fluctuation Adjustments" and 85 "Foreign Exchange Adjustments" and replacing them with a new account 85 "Foreign Exchange Gains and Losses" for recording the aggregate exchange gain or loss from foreign currency translations.

MARKETABLE EQUITY SECURITIES

At present, the Uniform System of Accounts and Reports requires all marketable securities, including equity securities, to be valued at cost. Accordingly, there is no provision for the adjustment of the acquisition cost of such securities to reflect subsequent changes in market value.

In December 1975, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards

No. 12, "Accounting for Certain Marketable Securities." This Statement prescribes that:

- (1) Marketable equity securities be carried at the lower of aggregate cost or market values, as determined at each balance sheet date;
- (2) For the purposes of determining the lower of aggregate cost or market value, the securities should be classified into current and noncurrent groupings;
- (3) Any changes in the excess of cost over market value for equity securities classified as current assets be included in the determination of net income;
- (4) Similar changes in this excess for securities classified as noncurrent be included as a separate item in the equity section of the balance sheet;
- (5) Subsequent recoveries in market price (up to original cost) should be included in income for securities classified as current while for securities classified as noncurrent the recoveries should reduce the net unrealized loss shown as a separate item in the equity section; and
- (6) Transfers between noncurrent and current classifications be made at the lower of cost or market.

In order to relieve the carriers from the burden of having to maintain two sets of records in accounting for marketable equity securities, we are proposing to amend the USAR to reflect the standards promulgated in FASB Statement No. 12. Section 2-12 "Acquisition and Valuation of Assets" will be amended to require the valuation of marketable equity securities at the lower of its aggregate cost or market value. The current portion of a carrier's investment in marketable equity securities will be recorded in Account 1100 "Short-Term Investments" while the noncurrent portion will be recorded in new Account 1530.1 "Other Investments and Receivables" which will be offset by amounts recorded in new Account 1530.2 "Allowance for Unrealized Gain or Loss on Marketable Equity Securities."

The net unrealized gain or loss applicable to changes in the valuation allowance for a marketable equity securities portfolio included in current assets will be charged to Account 8187.1 "Net Unrealized Gain or Loss on Marketable Equity Securities." On the other hand, a net unrealized loss applicable to the noncurrent portion of the marketable equity securities will be recorded as a valuation allowance by charging Account 2940 "Net Unrealized Loss on Noncurrent Marketable Equity Securities." All realized gains and losses will be recorded in new subaccount 8187.2 "Net Realized Gain or Loss on Marketable Equity Securities."

DEFERRED INCOME TAXES

Under present regulations, air carriers are required to separately identify on quarterly Schedule B-3 "Paid-in Capital as at End of Quarter; Appropriations of Retained Earnings; Deferred Income Taxes" of CAB Form 41, the types of timing differences (accelerated depreciation, preoperating costs, etc.) which give rise to amounts comprising their deferred income tax balances. In addition,

air carriers are required to disclose the provisions, applications, and adjustments made during the quarter which relate to each type of timing difference the carriers identify.

As part of the Board's continual review of reporting requirements from the standpoint of burden and regulatory need, we have identified this requirement as being very burdensome to the air carriers and of doubtful utility to the Board since it represents an estimate at best. Therefore, we are proposing to eliminate the reporting requirement for the identification of separate timing differences for deferred taxes on schedule B-3 and to require, in its place, the reporting of deferred taxes in total on revised Schedule P-3(a) "Income Taxes."

PROPOSED EFFECTIVE DATE

Since the proposed changes are designed to reduce air carrier reporting burden, and in order that they be made available for the carriers' benefit in reporting to the SEC in calendar year 1977, it is contemplated that these changes will be made effective on January 1, 1977. Accordingly, we believe that the instant proposal should be, and can be, expeditiously resolved. In this regard, routine requests for extension of the due date for comments are discouraged, and will be denied in the absence of extraordinary circumstances.

It is proposed to amend Part 241 of the Economic Regulations (14 CFR Part 241) as follows:

1. Amend Sec. 03—Definitions for Purposes of This System of Accounts and Reports to insert new definitions as follows:

A. By adding a new definition immediately following "Equipment" to read:

Section 03 [Amended]

Equity security—any instrument representing ownership shares (for example, common, preferred, and other capital stock), or the right to acquire (for example, warrants, rights, and call options) or dispose of (for example, put options) ownership shares in an enterprise at fixed or determinable prices. The term does not encompass preferred stock that by its terms either must be redeemed by the issuing enterprise or is redeemable at the option of the investor, nor does it include treasury stock or convertible bonds.

B. By adding two new definitions immediately following "Expense, capital stock" to read:

Exposed net asset position—the excess of assets that are measured or denominated in foreign currency and translated at the current rate over liabilities that are measured or denominated in foreign currency and translated at the current rate.

Exposed net liability position—the excess of liabilities that are measured or denominated in foreign currency and translated at the current rate over assets that are measured or denominated in foreign currency and translated at the current rate.

C. By adding three new definitions immediately following "Flight stage" to read:

Foreign currency transactions—transactions (for example, sales or purchases of goods or services or loans payable or receivable) whose terms are stated in a currency other than the currency of the United States.

Foreign currency translation—the process of expressing amounts denominated or measured in one currency in terms of another currency by use of the exchange rate between the two currencies.

Forward exchange contract (forward contract)—an agreement to exchange at a specified future date currencies of different countries at a specified rate (the forward rate). The purpose of a forward contract may be to hedge either a foreign currency commitment or a foreign currency exposed net asset position or to speculate in anticipation of a gain.

D. By adding three new definitions immediately following "Mail, priority" to read:

Marketable (as applied to an equity security)—an equity security as to which sales prices or bid and ask prices are currently available on a national securities exchange (that is, those registered with the Securities and Exchange Commission) or in the over-the-counter market. In the over-the-counter market, an equity security shall be considered marketable when a quotation is publicly reported by the National Association of Securities Dealers Automatic Quotations System or by the National Quotations Bureau, Inc. (provided, in the later case, the quotations are available from at least three dealers). Equity securities traded in foreign markets shall be considered marketable when such markets are of a breadth and scope comparable to those referred to above. Restricted stock (that is, securities for which sale is restricted by a governmental or contractual requirement) does not meet this definition. However, if any portion of such restricted stock can reasonably be expected to qualify for sale within one year, such securities are not considered restricted.

Market price—the price (see also the definition of Marketable—as applied to an equity security) of a single share or unit of a marketable equity security.

Market value (equity security)—aggregate market price of all shares or units of each marketable equity security in the portfolio. When an air carrier has taken positions involving short sales, sales of calls, and purchases of puts for marketable equity securities and the same securities are included in the portfolio, those contracts shall be taken into consideration in the determination of market value of the marketable equity securities.

E. By adding a new definition immediately following "Modification" to read:

Net unrealized gain or loss, marketable equity securities portfolio—represents the difference between the market value of marketable equity securities and their aggregate cost at any given date.

F. By adding a new definition immediately following "Property (as applied to traffic)" to read:

Realized gain or loss, marketable equity security—the difference between the net proceeds from the sale of a marketable equity security and its cost.

G. By adding a new definition immediately following "Unit basis (in depreciation accounting)" to read:

Valuation allowance, marketable equity securities portfolio—the net unrealized loss (the amount by which aggregate cost exceeds market value) in that portfolio.

2. Amend Section 1-9—Conversion of this system of accounts and reports by amending the beginning of (b) and revising (c) and (d) as follows:

Sec. 1-9 Conversion of this system of accounts and reports.

(b) Any adjustments of allowances for depreciation, * * *

(c) Any allowance accumulated for obsolescence of flight equipment spare parts and assemblies shall be divided between the portion applicable to flight equipment expendable parts and flight equipment rotatable parts shall be recorded in the applicable allowance accounts.

(d) Any provision of this system of accounts respecting allowances for depreciation, or other valuation of assets, shall be made applicable as at the effective date of this regulation to all assets then existing as well as to assets subsequently acquired against which the accrual of allowances would be appropriate.

3. Amend Sec. 2-1—Basis of Allocation between Entities by revising paragraph (c) to read as follows:

Sec. 2-1 Basis of allocation between entities.

(c) For purposes of this section, investments by the air carrier in resources or facilities used in common by the regulated air carrier activity and those transport-related revenue services defined as separate nontransport ventures under section 1-6(b) shall not be allocated between such entities but shall be reflected in total in the appropriate accounts of the entity which predominantly uses the facility or resource. Where the entity of predominate use is a nontransport venture, the air carrier shall reflect the investment in account 1530, Other investments and receivables.

4. Revise Sec. 2-3—Transaction in foreign currencies as follows:

Sec. 2-3 Transactions in foreign currencies.

(a) All accounts provided herein shall be stated in terms of United States dollars.

(b) At each transaction date, each asset, liability, revenue, or expense arising from a transaction dominated in a foreign currency shall be translated into United States dollars by use of the ex-

change rate in effect at that date, and shall be recorded at that dollar amount.

(c) At the balance sheet date for each quarterly accounting period, recorded dollar balances representing cash and amounts owed by or to the carrier that are denominated in a foreign currency shall be adjusted to reflect the current rate of foreign exchange. In addition, debt securities held by the carrier that are essentially equivalent to notes receivable shall also be adjusted to reflect the current rate of exchange.

(d) At the balance sheet date for each quarterly accounting period, assets carried at market whose current market price is stated in a foreign currency shall be adjusted to the equivalent dollar market price at the balance sheet date (that is, the foreign currency market price at the balance sheet date multiplied by the current rate).

(e) Exchange gains and losses which result from the application of the provisions of paragraphs (a), (b), (c), and (d) of this section shall be included in determining net income for the accounting period in which the rate changes. Such gains and losses shall be charged to Account 8185, Foreign Exchange Gains and Losses. See paragraph (g) for circumstances under which a gain or loss on a foreign currency transaction may be deferred.

(f) A gain or loss applicable to a forward exchange contract shall be included in determining net income by charging account 8185 for the accounting period in which the rate changes if the gain or loss pertains to a forward contract that is intended to be a:

- (1) Hedge of a foreign currency exposed net asset or net liability position;
- (2) Hedge of a foreign currency commitment that does not meet the following conditions:

(i) The life of the forward contract extends from the foreign currency commitment date to the anticipated transaction date or a later date,

(ii) The forward contract is denominated in the same currency as the foreign currency commitment and for an amount that is the same or less than the amount of the foreign currency commitment

(iii) The foreign currency commitment is firm and uncancelable; or

(3) Speculation.

(g) A gain or loss shall be deferred and included in the measurement of the dollar basis of the related foreign currency transaction if the gain or loss pertains to a forward contract that is intended to be a hedge of an identifiable foreign currency commitment that meets all of the conditions described in paragraph (f) (2) (i) through (iii) of this section. Losses on a forward contract shall not be deferred, however, if deferral could lead to recognizing losses in later periods.

5. Amend Sec. 2-6—Income tax accruals by revising the text of paragraphs (b) and (c) as follows:

Sec. 2-6 Income tax accruals.

(b) The tax effect of timing differences which increase or decrease taxes currently payable shall be recognized in balance sheet account 2340, Deferred Income Taxes. Any resulting net debit balance in this account shall be treated for statement purposes as a special sub-account in balance sheet account 1890, Other Assets. In effecting these accruals, records with respect to deferred taxes (including foreign, state, and local taxes based upon income) shall be maintained in accordance with the provisions of balance sheet account 2340, Deferred Income Taxes.

(e) At the option of the air carrier, investment tax credits may be treated as a reduction of income tax expense in the year they are actually realized (flow-through method) or they may be deferred and amortized over the useful life of the property to which it relates and they shall be accounted for in accordance with the provisions of balance sheet accounts 2131, Accrued Taxes, 2340 Deferred Income Taxes, and 2345 Deferred Investment Tax Credits.

6. Amend Sec. 2-7—Extraordinary items, discontinued operations, prior period adjustments, and accounting changes by revising the last sentence of paragraph (e) to read as follows:

Sec. 2-7 Extraordinary items, discontinued operations, prior period adjustments, and accounting changes.

(e) * * * For the purposes of this system of accounts and reports, discontinued nontransport operations shall refer to the disposal of investor controlled companies and the cessation of nontransport operations, the results of which are accounted for through profit and loss objective accounts 74, 75, and 76.

7. Amend Sec. 2-10—Capitalization of interest by revising paragraph (d) to read as follows:

Sec. 2-10 Capitalization of interest.

(d) Interest capitalized under paragraph (a) or (b) of this section shall be charged to the balance sheet account in which the funds are carried (1550, 1689, or 1830) and credited to profit and loss subaccount 83.4-Interest Capitalized—Credit or, if imputed interest, to profit and loss subaccount 83.1-Imputed Interest Capitalized—Credit. Interest capitalized under paragraph (a) of this section shall be recorded in such a manner as to facilitate audit and, upon completion of the project, shall be transferred to subaccounts of the appropriate property balance sheet accounts as a cost of the related asset. When imputed interest is capitalized, a concurrent entry shall be recorded by debiting profit and loss subaccount 83.2-Imputed Interest Deferred—Debit and crediting balance sheet account 2390 Other Deferred Credits which shall be cleared to profit

and loss subaccount 83.3-Imputed Interest Deferred—Credit periodically as the amount of such interest in the asset accounts is written off.

8. Amend Sec. 2-11—Accounting for transactions in gross amounts by revising the first sentence of paragraph (a) to read as follows:

Sec. 2-11 Accounting for transactions in gross amounts.

(a) All assets and liabilities shall be stated in balance sheet presentations in gross values, provided that all depreciation, provisions for uncollectible accounts and other valuation allowances shall be offset against the class of asset to which related. * * *

9. Amend Sec. 2-12—Acquisition and valuation of assets by amending (a) (2) and revising (a) (3) through (a) (7) as follows:

(a) * * *

(2) Spare parts and materials of a class for which the accrual of allowances for loss in value * * *

(3) the carrying amount of a marketable equity securities portfolio shall be the lower of its aggregate cost or market value, determined at the balance sheet date. The amount by which aggregate cost of the portfolio exceeds market value shall be accounted for as a valuation allowance. (See paragraph (a) (6) of this section.)

(4) Marketable equity securities owned by a carrier shall be grouped into separate portfolios according to the current or noncurrent classification of the securities for the purpose of comparing aggregate cost and market value to determine carrying amount.

(5) If there is a change in the classification of a marketable equity security between current and noncurrent (accounts 1100 and 1530, respectively), the security shall be transferred between the corresponding portfolios at the lower of its cost or market value at the date of transfer. If market value is less than cost, the market value becomes the new cost basis, and the difference shall be accounted for as if it were a realized loss and included in the determination of net income by charging account 8187.2.

(6) Changes in the valuation allowance for a marketable equity securities portfolio included in current assets shall be included in the determination of net income of the period in which they occur by charging account 8187.2. Accumulated changes in the valuation allowance for a marketable equity securities portfolio included in noncurrent assets shall be included in the equity section of the balance sheet and shown separately in account 2940.

(7) For those marketable securities for which the effect of a change in carrying amount is included in stockholders' equity rather than in net income, a determination must be made as to whether a de-

decline in market value below cost as of the balance sheet date of an individual security is other than temporary. If the decline is judged to be other than temporary, the cost basis of the individual security shall be written down to a new cost basis and the amount of the write-down shall be accounted for as a realized loss by charging account 8187.2. The new cost basis shall not be changed for subsequent recoveries in market value.

10. Amend Sec. 2-13—Establishment of reserves by changing the title and revising (a) and (d), by reserving (c) and by amending (b) as follows:

Sec. 2-13 Establishment of allowances.

(a) Provisions for allowances covering transactions or conditions which do not diminish assets or result in demonstrable liability to the air carrier, with corresponding diminution in stockholder equity during the period over which accrued, shall not be charged against income but shall be charged directly against balance sheet account 2900 Retained Earnings.

(b) All allowances shall be classified in ***

(c) (Reserved.)

(d) Additional allowances over those prescribed in this system of accounts may be established for the purpose of equalizing or distributing expense charges between calendar quarters of each accounting year in accordance with operations performed, in the event such expenditures are part of a specific program to which the air carrier is demonstrably committed and are of sufficient magnitude to significantly distort the financial results of the current quarter if expensed directly. Each air carrier shall submit, for approval by the Civil Aeronautics Board, a plan for each such equalization allowance which shall set forth the proposed accounting and rates of accrual. Such plans shall provide for the liquidation of each expense equalization allowance at the close of each accounting year. Equalization allowances shall not be used in respect to expenditures, the distortionary fluctuations of which spread over a cycle of longer than one year. (See section 22(d) or 32(d), as applicable.)

11. Amend Sec. 2-14—Depreciation and amortization by amending paragraph (a) to read in pertinent part as follows:

Sec. 2-14 Depreciation and amortization.

(a) Depreciation shall be calculated by the air carrier in such a manner as will prevent the charging of either excessive or inadequate expense or the accumulation of excessive or inadequate allowances, and shall be based ***

12. Revise Sec. 2-15—Contingent assets and contingent liabilities.

Sec. 2-15 Contingent assets and contingent liabilities.

Contingent assets and contingent liabilities shall not be included in the body

of the balance sheet but shall be explained in the footnotes to the financial statements.

13. Amend Sec. 2-18—Transactions between members of an affiliated group by adding the following to paragraphs (b) and (d) and by revising (c) as follows:

Sec. 2-18 Transactions between members of an affiliated group.

(b) *** Where the services and assets received by the regulated activity of the air carrier are not marketed by the affiliated supplier to the general public under a prevailing price list, the charges recorded by the air carrier activity for such services and assets shall be the lower of their cost to the originating activity of the affiliated group, less all applicable valuation allowances, or their estimated fair market value. In the case of charges against income for services received, as distinguished from charges for property and equipment or other assets acquired, any difference in the amount recorded and the consideration given by the air carrier shall be entered into subaccount 89.4 Intercompany Transaction Adjustment—Credit or in subaccount 89.6 Intercompany Transaction Adjustment—Debit. In the case of property and other assets acquired, any difference between the amount recorded and the consideration given by the air carrier shall be entered in appropriate subaccounts of account 1870 Property Acquisition Adjustment, paralleling subaccount 89.4 Intercompany Transaction Adjustment—Credit and subaccount 89.6 Intercompany Transaction Adjustment—Debit, and shall be cleared to such income ac-

counts through periodic amortization at rates coinciding with those applied to other associated assets.

(c) The cost, less all associated valuation allowance accumulations, of services and assets sold by or transferred from the regulated activity of an air carrier to other activities of an affiliated group shall be charged by the air carrier to either applicable incidental services or capital gain income accounts, as appropriate. Where such services and assets are reflected in tariffs filed with the Board or in price lists held out to the general public, the associated revenues shall be recorded at the rates, fares or charges contained therein in the appropriate incidental services, capital gains or air transport income accounts. Where no tariff or prevailing price list is applicable, the associated revenue shall be recorded at the higher of cost or estimated fair market value of the asset or service involved. Any difference between the revenue so recorded and the agreed consideration to the air carrier shall be recorded in subaccount 89.4 Intercompany Transaction Adjustment—Credit or subaccount 89.6 Intercompany Transaction Adjustment—Debit.

(d) *** Any difference between the income tax so recorded and the amount at which settlement is to be made shall be recorded in subaccount 89.4 Intercompany Transaction Adjustment—Credit or in subaccount 89.6 Intercompany Transaction Adjustment—Debit, as is appropriate.

14. Amend Section 3—Chart to Balance Sheet Accounts to read as follows:

Name of account	General classification	
Current assets:		
Cash.....	1010	
Short-term investments.....	1100	
Notes receivable.....	1200	
Accounts receivable.....	1250	
Allowance for uncollectible accounts.....	1290	
Spare parts and supplies.....	1310	
Allowance for obsolescence—spare parts and supplies.....	1311	
Prepaid items.....	1410	
Other current assets.....	1420	
Investments and special funds:		
Investments in associated companies.....	1510	
Investments in investor controlled companies.....	1510.1	
Investments in other associated companies.....	1510.2	
Advances to investor controlled and other associated companies.....	1520	
Other investments and receivables.....	1530	
Other investments and receivables.....	1530.1	
Allowance for unrealized gain or loss on marketable equity securities.....	1530.2	
Special funds.....	1550	
Property and equipment.....	1600-1700	
	Operating	Nonoperating
Airframes.....	1601	1701
Airframes.....	1601.1	1701.1
Unamortized airframe overhauls.....	1601.2	1701.2
Aircraft engines.....	1602	1702
Aircraft engines.....	1602.1	1702.1
Unamortized aircraft engine overhauls.....	1602.2	1702.2
Improvements to leased flight equipment.....	1607	1707
Flight equipment rotatable parts and assemblies.....	1608	1708
Airframe parts and assemblies.....	1608.1	1708.1
Aircraft engine parts and assemblies.....	1608.2	1708.2
Other parts and assemblies.....	1608.3	1708.3
Flight equipment.....	1609	1709
Allowance for depreciation—airframes.....	1611	1711
Allowance for depreciation—aircraft engines.....	1612	1712
Allowance for depreciation—improvements to leased flight equipment.....	1617	1717
Allowance for depreciation—flight equipment rotatable parts and assemblies.....	1618	1718
Flight equipment airworthiness allowance.....	1629	1729
Equipment.....	1630	1730
Improvements to leased buildings and equipment.....	1634	1734
Furniture, fixtures and office equipment.....	1636	1736

	Operating	Nonoperating
Buildings:	1640	1740
Maintenance buildings and improvements	1640.1	1740.1
Other buildings and improvements	1640.9	1740.9
Ground property and equipment	1649	1749
Allowance for depreciation—equipment	1650	1750
Allowance for depreciation—improvements to leased buildings and equipment	1654	1754
Allowance for depreciation—furniture, fixtures and office equipment	1656	1756
Allowance for depreciation—buildings	1660	1760
Maintenance buildings and improvements	1660.1	1760.1
Other buildings and improvements	1660.9	1760.9
Allowance for depreciation of flight equipment and ground property and equipment, and amortization of overhaul and airworthiness costs	1669	1769
Land	1679	1779
Equipment purchase deposits and advance payments	1685	1785
Construction work in progress	1689	1789
	General classification	
Other assets:		
Long-term prepayments		1830
Unamortized developmental and preoperating costs		1830
Unamortized debt expense		1810
Property acquisition adjustment		1870
Intangible assets		1880
Other assets		1890
Current liabilities:		
Current maturities of long-term debt		2000
Notes payable—banks		2010
Notes payable—other		2015
Trade accounts payable		2020
Accounts payable—other		2025
Accrued salaries, wages		2110
Accrued vacation liability		2120
Accrued interest		2125
Accrued taxes		2131
Dividends declared		2140
Air traffic liability		2160
Other current liabilities		2190
Noncurrent liabilities:		
Long-term debt		2210
Advances from associated companies		2240
Pension liability		2250
Stock purchase plan liability		2260
Other noncurrent liabilities		2290
Deferred credits:		
Deferred income taxes		2340
Deferred investment tax credits		2345
Other deferred credits		2390
Commitments and contingent liabilities		2400
Stockholders' equity:		
Preferred stock		2820
Common stock		2840
Subscribed and unissued stock		2860
Additional capital invested		2890
Premium on capital stock		2890.1
Discount on capital stock		2890.2
Other capital stock transactions		2890.3
Retained earnings		2900
Net unrealized loss on noncurrent marketable equity securities		2940
Treasury stock		2960

the appropriate asset accounts. Where the sales price or salvage value less the cost of dismantling differs from the costs related to the property less accrued allowances for depreciation, such difference shall be recorded in the appropriate capital gain or loss accounts.

(6) Upon disposal by sale, retirement, abandonment, dismantling, or otherwise of property or equipment depreciated on a group basis, the air carrier shall credit the account in which the property or equipment is carried, and charge the related allowance for depreciation with the original cost thereof, less any salvage realized, regardless of the age of the item. No gain or loss is recognized on the retirement of individual items of property or equipment depreciated on a group basis. However, the proceeds from sales of scrapped parts and assemblies, which are accumulated and sold in lots for nominal amounts and without identification of the individual items, shall be credited to profit and loss account 18 Other Transport-Related Revenues and Expenses.

(7) If property is retired or disposed of as a result of major accident or other casualty, the costs related to such property, less accrued allowances for depreciation, shall be charged to balance sheet account 1890 Other Assets pending adjustments and settlement of insurance. The resulting profit or loss, after reflecting adjustments for insurance coverage shall be recorded as a capital gain or loss. If the air carrier has no option but to accept replacement by an equivalent unit, the book cost and accrued allowance for depreciation applicable to the unit disposed of shall be assigned to the new property or equipment. Where the air carrier has the option in settlement to select between replacement in kind and cash or its equivalent, the air carrier shall account for the property or equipment disposed of in accordance with subparagraph (5) or (6) of this section 5-3(e). Any property or equipment purchased in replacement shall be recorded pursuant to subparagraph (1) of this section 5-3(e).

(8) When property and equipment owned by the air carrier is applied as part payment of the purchase price of new property and equipment, the new property and equipment shall be recorded at its full purchase price provided an excessive allowance is not made for assets traded in, in lieu of price adjustments or discounts on the purchase price of assets acquired. The difference between the depreciated cost of assets applied as payment and the amount allowed therefor shall be treated as retirement gain or loss. When used tangible property is exchanged for other used tangible property and no other form of consideration is involved, the book cost less related allowance for depreciation of the property given in exchange shall be assigned to the property received. When the consideration consists of both cash or its equivalent and tangible property, and the cash or its equivalent is less than 25 percent of the fair market value of the total consideration, the en-

¹ Prescribed for group II and group III air carriers only.

² At the option of the air carrier, these accounts may be assigned Nos. 2020 and 2729, respectively, for accounting purposes.

NOTE.—Digits to right of decimals and italicized codes established for CAB control purposes only.

15. Amend Sec. 5—Balance Sheet Account Groupings as follows:

A. By revising paragraphs (e) (2) and (e) (4) through (10) of Sec. 5-3 to read:

Sec. 5-3 Property and equipment.

(e) * * *

(2) The cost of additions, betterments, improvements, and modifications shall be charged to the balance sheet account in which the property or equipment to which related is carried. (See section 2-9 for applicable accounting policy.) The cost of parts and appurtenances removed, and the allowance for depreciation applicable thereto, shall be treated as for retired property and accounted for accordingly.

(4) If property and equipment is acquired as part of a business from another air carrier through consolidation, merger, or reorganization, pursuant to a plan approved by the Civil Aeronautics Board, the costs and related allowances for de-

preciation as carried on the books of the predecessor company at the date of transfer shall be entered by the acquiring air carrier in the appropriate accounts prescribed for recording investments in tangible assets. Any difference between the purchase price of the property and equipment acquired and its depreciated cost at date of acquisition shall be recorded in balance sheet account 1870 Property Acquisition Adjustment. Property acquired from an associated company shall also be accounted for in accordance with this paragraph unless otherwise approved by the Board.

(5) Upon disposal by sale, retirement, abandonment, dismantling, or otherwise, of equipment depreciated on a unit basis, the air carrier shall credit the accounts in which the costs related to the property or equipment are carried with the balances thereof; charge the related allowances for depreciation with the balances applicable to the property disposed of; and charge the cash proceeds of the sale or the value of salvaged material to

fire transaction is to be treated as an exchange of property. The cost of the properties received by each party shall be the book cost less related allowance for depreciation of the properties given in exchange, plus or minus the cash, or the cash value of any other consideration, paid or received. Capital gain or loss is not to be recorded on the books of either party, except to the extent that the additional cash or other consideration received exceeds the depreciated book cost of the properties given. When the additional cash, or the cash value of other consideration, is at least 25 percent of the fair market value, the transaction shall be treated as a purchase and sale. The property received by each party shall be entered on the books at its fair market value and the net increase or decrease in asset values resulting from the transaction shall be treated as capital gain or loss.

(9) The cost of property and equipment acquired shall, upon acquisition, be recorded in the appropriate classification specifically established for such property and equipment; Provided, That when operating property and equipment acquired requires conditioning or modification before placing in air transport or its transport-related services, the cost thereof and related conditioning and modification costs shall be accumulated in balance sheet account 1968 Construction Work in Progress. The total accumulated cost shall be transferred to the appropriate operating property and equipment account coincidentally with the placing of the property and equipment into regular air transport or transport-related services.

(10) When operating property or equipment is retired from air transportation or transport-related operations and retained by the air carrier, its cost, together with applicable allowances for depreciation, shall be transferred to balance sheet classification 1700 Nonoperating Property and Equipment. If property is transferred for exclusive use of non-transport divisions, the cost less related allowances for depreciation shall be recorded in balance sheet account 1520 Advances to Investor Controlled and Other Associated Companies.

B. By amending Sec. 5-4 by revising paragraphs (a), (d) and (f) and (g) (1) and (5) as follows:

Sec. 5-4 Property and equipment depreciation and overhaul.

(a) The balance sheet classification "allowance for depreciation" shall include allowances for depreciation established to record current lessening in service value due to wear and tear from use and the action of time and the elements, as well as losses in capacity for use or service occasioned by obsolescence, supersession, discoveries, change in popular demands, or the requirement of public authority. Residual values and rates for accrual of depreciation shall be calculated to prevent charging excessive or

inadequate expense or the accumulation of inadequate or excessive allowances.

(d) Rates of depreciation and undepreciable residual values applied to each class of depreciable property and equipment shall be calculated to distribute the estimated depreciable cost to operating expense accounts and other accounts over the estimated service life of the property and equipment in such manner as will prevent the charging of either excessive or inadequate expense or the accumulation of excessive or inadequate allowances (see section 2-14(a)) and fully recognize the extent to which all expenditures attaching to property and equipment are otherwise recoverable through income charges and disposal proceeds.

(f) Airframe and aircraft engine overhauls shall be expensed directly as performed when this will produce a relatively equitable allocation of total maintenance costs between accounting years. In the event that direct expensing of overhauls will distort maintenance expense charges between calendar quarters, allowances may be established to equalize or distribute maintenance expense charges between calendar quarters of each accounting year in accordance with operations performed consistent with provisions of section 2-13(d). For the purposes of this system of accounts and reports, an airframe or aircraft engine "overhaul" shall be deemed to encompass the total of those inspections or replacements of major components performed in phases, or in one operation, as are required to be performed at specified maximum periodic intervals by the Civil Air Regulations to recertify that airframes or aircraft engines are in a completely airworthy condition. Costs which attach to the routine replacement of minor parts and servicing or inspection of airframes and aircraft engines, performed on a recurrent but not scheduled basis, or on a scheduled basis without withdrawal from line service, to maintain airframes and aircraft engines in an operating condition, shall not be considered to be "overhauls" and shall be expensed directly as ordinary recurrent maintenance. Extraordinary costs of material amounts associated with the renewal of major structural parts of airframes and aircraft engines beyond the scope of normal period overhauls, or which are incurred at periodic intervals approximating the depreciable service life of the airframe and aircraft engine types to which related, shall not be considered overhauls. Such costs shall be accounted for as restoration of assets chargeable to the related property accounts. The cost of components removed, together with related allowance, shall be treated as retired property and accounted for accordingly. In the event identification of the cost of the components removed is not feasible, the costs incurred in substituting components may be charged against the related allowance for depreciation.

(g) * * *

(1) When the period benefited by the performance of an overhaul is greater than one accounting year and overhauls are scheduled in such a manner that the direct expensing of overhauls as performed will not result in an equitable allocation of total maintenance expense between accounting years, the costs of such overhauls shall be deferred and amortized over the period benefited. An overhaul permits the use of an airframe or aircraft engine for subsequent additional periods in conformity with overhaul procedures approved by the Federal Aviation Administration. The period benefited by an overhaul is the authorized interval until the related overhaul procedures are required to be performed again. The costs of airframe and aircraft engine overhauls shall not be accrued in advance by charges to maintenance expense before the costs are incurred; except that, allowances for equalization may be established pursuant to section 2-13(d) to distribute expense charges between calendar quarters of each accounting year in accordance with operations performed.

(5) Upon retirement of owned airframes or aircraft engines, the applicable unamortized overhaul costs shall be transferred, along with the cost and related allowances for depreciation of the property retired, to profit and loss subaccount 88.1 Capital Gains and Losses—Operating Property or 88.2 Capital Gains and Losses—Other.

C. By revising the title and paragraph (a) of Sec. 5-5 to read:

Sec. 5-5 Other assets.

(a) Include in this classification all debit balances in general clearing accounts, including charges held in suspense pending receipt of information necessary for final disposition, prepayments chargeable against operations over a period of years, capitalized expenditures of an organizational or developmental character, unamortized debt expense, property acquisition adjustments, the cost of patents, copyrights and miscellaneous intangibles, and other noncurrent assets which cannot be recorded elsewhere within the chart of accounts.

D. By revising Sec. 5-7(a) to read:

Sec. 5-7 Noncurrent liabilities.

(a) This classification shall include all debts or obligations the liquidation or or payment of which is not reasonably expected to require the use within one year of existing resources of a type which are properly classifiable as current assets or the creation of current liabilities. Noncurrent liabilities shall include mortgages, bonds and debentures maturing more than one year from the date of the balance sheet, and other obligations not payable within twelve months. Expense on long-term debt assumed by the air carrier shall be recorded as a deferred

charge and discounts or premiums on nontrade debt should be recorded as a deduction from or addition to the face amount of the liability through the use of a subaccount in the account used to record the liability. Subaccounts shall be maintained in such a manner as to enable identification of each discount or premium with the debt issue to which it relates. Such discounts or premiums shall be amortized through profit and loss account 84 Amortization of Debt Discount Premium and Expense on a basis which applies a constant rate of interest to the balance outstanding at the beginning of each quarter. When debt securities are issued with warrants to purchase stock, the portion of the proceeds attributable to the warrants shall be accounted for as paid-in capital by crediting account 2890 Additional Capital Invested.

E. By revising the title and text of Sec. 5-8 to read:

Sec. 5-8 Deferred credits and commitments and contingent liabilities.

(a) Include in the deferred credit balances in general clearing accounts, including credits held in suspense pending receipt of information necessary for final disposition.

(b) Deferred credits having a definite time incidence shall be amortized over the periods to which they apply.

(c) Include in the commitments and contingent liabilities classification all anticipated losses from commitments or contingencies that are probable and can be reasonably estimated.

F. By revising Sec. 5-9 to read:

Sec. 5-9 Stockholder equity.

(a) This general classification shall include all items which record the aggregate interests of holders of the air carrier's stock in assets owned by the air carrier.

(b) The general classification "Stockholders' Equity," shall be subdivided between that portion representing direct contributions of the stockholders, or "Total Paid-In Capital," that portion representing income retained from the operation of the air carrier, or "Retained Earnings," that portion representing the valuation allowance net unrealized loss applicable to the noncurrent portion of marketable equity securities, or "Net Unrealized Loss on Noncurrent Marketable Equity Securities," and that portion, "Treasury Stock," representing the cost to the air carrier of capital stock issued by the air carrier which has been reacquired and is held for disposition.

(c) The "Total Paid-In Capital" classification shall be subdivided between "Total Capital Stock," which shall include the par or stated value of capital stock issued or the cash value of the consideration actually received in case of stock having no par or stated value, and "Additional Capital Invested," which shall include the excess (premium) or deficiency (discount) of the cash value of the consideration received from the issue of any capital stock having par or

stated value, donations by stockholders, adjustments of capital resulting from reorganization or recapitalization, and gains or losses from reacquisition and resale or retirement of the air carrier's capital stock.

(d) The records supporting the entries in the accounts included in the "Additional Capital Invested" balance sheet classification shall be maintained with sufficient particularity to identify amounts applicable to each series and class of stock affected.

(e) Discount applicable to a particular class or series of capital stock shall not be offset against premiums applicable to another class or series of capital stock. At the option of the air carrier discount applicable to a particular class or series of stock may be offset against premiums related to that class or series of stock.

(f) Gains or losses arising from the reacquisition and resale or retirement of the air carrier's capital stock shall be credited or debited, as appropriate, to that portion of "Additional Capital Invested" which relates to the particular series and class of capital stock resold or retired.

(g) The "Retained Earnings" balance sheet classification shall reflect the balance of net profits, income, and gains of the air carrier from the date of incorporation after deducting losses, and distributions to stockholders. In cases where a deficit has been absorbed by a reduction of "Additional Capital Invested" as a result of a restatement of capital stock or retained earnings, a new retained earnings account shall be established, dated to show that it runs from the effective date of the restatement and this dating shall be disclosed in financial statements until such time as the effective date no longer possesses special significance.

16. *Revise Section 6—Objective Classification of Balance Sheet Elements to read as follows:*

SECTION 6—OBJECTIVE CLASSIFICATION OF BALANCE SHEET ELEMENTS

CURRENT ASSETS

1010 Cash.

(a) Record here all general and working funds available on demand as of the date of the balance sheet which are not formally restricted or earmarked for specific objectives. Funds deposited for special purposes which are to be satisfied within one year shall be included in account 1100 Short-term Investments, and funds restricted as to general availability, which are not offset by current liabilities, shall be included in account 1550 Special Funds.

(b) Each air carrier shall subdivide this account in such manner that the balance can be readily segregated as between balances in United States currency and the balances in each foreign currency.

1100 Short-Term Investments.

(a) Record here the cost of short-term investments such as special deposits and

United States Government securities and other temporary cash investments.

(b) Special deposits for more than one year, not offset by current liabilities, shall not be included in this account but in account 1550 Special Funds.

(c) This account should not be charged or credited for discount or premium on United States Government securities or other securities which should be amortized to profit and loss account 80 Interest Income.

1200 Notes Receivable.

(a) Record here current notes receivable including those from associated companies, company personnel, and all other sources.

(b) Balances of notes payable to associated companies shall not be offset against amounts carried in this account. Balances with associated companies which are not normally settled currently shall not be included in this account but in balance sheet account 1510 Investments in Associated Companies.

1250 Accounts Receivable.

(a) Record here current accounts receivable including those due from the United States Government, foreign governments, associated companies, company personnel, and other amounts due for the performance of air transportation.

(b) Amounts due from the United States Government shall be maintained in such fashion as will clearly and separately identify service mail pay receivables, subsidy receivables, and other than mail transportation receivables.

(c) Amounts due for the performance of air transportation shall include gross amounts due whether settled through airline clearing houses or with individual carriers. Amounts payable collected as agent shall not be credited to this account, but should be included in account 2190 Other Current Liabilities.

(d) Balances payable to associated companies shall not be offset against amounts carried in this account. Balances with associated companies which are not normally settled currently shall not be included in this account but in balance sheet account 1890 Other Assets.

1290 Allowance for Uncollectible Accounts.

(a) Record here accruals for estimated losses from uncollectible accounts.

(b) All accounts against which allowances have been established shall be examined at least annually for the purpose of redetermining the basis of accruals to be applied to subsequent accounting periods and the reasonableness of allowances already provided.

1310 Spare Parts and Supplies.

(a) Record here the cost of:

(1) Flight equipment replacement parts of a type which ordinarily would be recurrently expended and replaced rather than repaired and reused;

(2) Unissued fuel inventories for use in the overall or system operations of the carrier. Adjustments of inventories or aircraft fuel shall not be entered in this

account but in profit and loss account 45, Aircraft Fuels and Oils; and

(3) Unissued and unapplied materials and supplies held in stock such as unissued shop materials, expendable tools, stationery and office supplies, passenger service supplies, and restaurant and food service supplies.

(b) Costs paid by the air carrier such as transportation charges and customs duties; excise, sales, use, and other taxes; special insurance; and other charges applicable to the cost of spare parts and supplies shall be charged to this account when they can be definitely allocated to specific items or units of property. If such costs cannot be so allocated, or if of minor significance in relation to the cost of such property, the amounts thereof may be charged to balance sheet account 1890. Other Assets and cleared either by a suitable "loading charge" as the parts are used or by current charges to appropriate expense or property accounts. *Provided*, That the method of application does not cause material distortion in operating expenses from one accounting period to another.

(c) Reusable spare parts and supplies recovered in connection with construction, maintenance, or retirement of property and equipment shall be included in this account at fair and reasonable values but in no case shall such values exceed original cost. Recoveries of normally repairable and reusable parts of a type for which losses in value may be covered on a practical basis through valuation allowance provisions shall be included in this account on an original cost basis. Scrap and nonusable parts, expended from this account and recovered, shall be included at net amounts realizable therefrom with contra credit to the expense accounts initially charged.

(d) The cost of rotatable parts and assemblies of material value included in this account which ordinarily are repaired and reused and possess a service life approximating that of the primary property types to which related shall not be recorded on this account but in balance sheet account 1608 Flight Equipment Rotatable Parts and Assemblies. For purposes of identifying rotatable parts and assemblies of insignificant unit value which may be included in this account, a reasonable maximum unit value limitation may be established.

(e) Any losses sustained or gains realized upon the abandonment or other disposition of flight equipment expendable parts shall be taken up as capital gains or losses in the periods in which sustained or realized. (See balance sheet account 1311.)

(f) Items in this account shall be charged to appropriate expense accounts as issued for use. Profit and loss on sales of inventory items as a routine service to others shall be included in profit and loss accounts 14 General Service Sales—Associated Companies, or 16 General Service Sales—Outside, and the parts sold shall be removed from this account at full cost.

(g) Materials and supplies held in small supply and purchased currently

may be charged to appropriate expense accounts when purchased.

(h) An allowance for inventory adjustment applicable to materials and supplies is prohibited. Items in this account shall be charged to appropriate expense accounts as issued for use.

(i) Subaccounts shall be established within this account for the separate recording of each class or type of spare parts and supplies.

1311 Allowance for Obsolescence—Spare Parts and Supplies.

(a) Accruals shall be made to this account when allowances are established for losses in the value of expendable parts. The accruals to this account shall be made by charges to profit and loss account 73 Provisions for Obsolescence and Deterioration—Expendable Parts. Records shall be maintained in sufficient detail to permit association of the allowances with each class or type of expendable parts.

(b) The accruals to this account shall be based upon a predetermination by the air carrier of that portion of the total inventory of each class and type of expendable parts against which an allowance for loss is to be accrued. Expendable parts issued for use in operations shall be charged to operating expenses as issued and shall not be charged to this account. If at the end of any calendar year the amount of the allowance exceeds the product of the applicable inventory for the year determined consistently on a year-end or average basis, and the sum of the standard percentage accrual rates for all prior years including the current, the allowance shall be adjusted downward by the amount of the excess. Such adjustments shall be charged to this account and credited to profit and loss account 73 Provisions for Obsolescence and Deterioration—Expendable Parts.

(c) Where changing conditions necessitate a revision or adjustment in rates of accrual, such revision or adjustment shall be made applicable to current and subsequent accounting periods and shall not be applied retroactively to prior accounting periods. Following retirement of airframe or aircraft engine types to which related, any balance remaining in this account shall be offset against related balances carried in balance sheet account 1310 Spare Parts and Supplies and the net cleared to profit and loss accounts 88.1 Capital Gains and Losses—Operating Property or 88.2 Capital Gains and Losses—Other.

(d) In accordance with the provisions of section 22(d) or 32(d), as applicable, each air carrier shall file with the Civil Aeronautics Board a statement fully describing its plans of accounting for allowances for obsolescence and deterioration of expendable parts. The required statement shall indicate for each class or type of parts the predetermined level of the inventory against which an allowance is being accrued and shall fully explain the bases of the estimated losses and the rate of allowance accrual.

1410 Prepaid Items.

Record here prepayments of obligations which if not paid in advance would require the expenditure of working capital within one year, such as prepaid rent, insurance, taxes, interest, etc. Unexpired insurance and miscellaneous prepayments applicable to periods extending beyond one year where significant in amount shall be charged to balance sheet account 1820 Long-Term Prepayments.

1420 Other Current Assets.

Record here current assets not provided for in balance sheet accounts 1010 to 1410, inclusive.

INVESTMENTS AND SPECIAL FUNDS

1510 Investments in associated companies.

(a) Record here net investments in associated companies together with advances, loans, and other amounts not settled currently. Balances receivable from and payable to different associated companies shall not be offset.

(b) This account shall be subdivided by all air carrier groups as follows:

1510.1 Investments in investor controlled companies.

Record here the cost of investments in investor controlled companies, except as provided in section 5-2(c), plus the equity in undistributed earnings or losses since acquisition. In the event dividends are declared by such companies, the air carrier shall credit this account for its share in dividends declared and debit balance sheet account 1250 Accounts Receivable. This account shall separately state: (a) The cost of such investments at date of acquisition and (b) the equity in undistributed earnings or losses since acquisition. Such accounting method shall not apply to investments in nontransport foreign subsidiary companies.

1510.2 Investments in other associated companies.

(a) Record here the cost of investments in associated companies other than investor controlled companies. Cost shall represent the amount paid at the date of acquisition without regard to subsequent changes in the net assets through earnings, or losses of such associated companies, except as provided in section 5-2(c).

(b) In accordance with the provisions of section 22(d) or 32(d), as applicable, a statement shall be filed with the Civil Aeronautics Board which fully explains the procedures for accounting for investments in investor controlled and other associated companies, including change in status from associated to investor controlled company, or vice versa.

1520 Advances to investor controlled and other associated companies.

(a) Record here advances to investor controlled and other associated companies and nontransport divisions not required to be included in any other balance sheet account.

(b) In the case of nontransport divisions three subaccounts shall be main-

tained: (1) Net investment; (2) current net profit or loss; and (3) current accounts receivable or payable between the air carrier and the nontransport division.

(c) Each nontransport division shall be accounted for separately in net amounts receivable which shall be included in this account or net amounts payable which shall be included in balance sheet account 2290 Other Noncurrent Liabilities.

1530 Other investments and receivables.

(a) Record here notes and accounts receivable not due within one year, investments in securities issued by others, and the allowance for unrealized gain or loss on marketable equity securities. Securities held as temporary cash investments shall not be included in this account but in balance sheet account 1100 Short-Term Investments. Investments in and receivables from associated companies which are not settled currently shall be included in balance sheet account 1510 Investments in Associated Companies.

(b) This account shall be subdivided as follows:

- 1530.1 Other investments and receivables.
- 1530.2 Allowance for unrealized gain or loss on marketable equity securities.
- 1550 Special funds.

Record here special funds not of a current nature and restricted as to general availability. Include items such as sinking funds, cash and securities posted with courts of law, employee's funds for purchase of capital stock, pension funds under the control of the air carrier and equipment purchase funds.

OPERATING PROPERTY AND EQUIPMENT

1601 Airframes.

(a) Record here the total cost to the air carrier of airframes of all types and classes, as provided in section 5-3, together with the full complement of instruments, appurtenances, and fixtures comprising complete airframes including accessories necessary to the installation of engines and flight control and transmission systems, except as specifically provided otherwise in accounts 1602 and 1607. Also record here in separate subaccounts and costs of airframe overhauls accounted for on a deferral and amortization basis as provided in section 5-4(g).

(b) Airframes designed to permit multiple payload configurations shall be recorded in this account at the total cost of the maximum complement of instruments, appurtenances, and fixtures used in the air carrier's operations.

(c) This account shall be subdivided as follows by all air carriers:

- 1601.1 Airframes.
- 1601.2 Unamortized airframe overhauls.
- 1602 Aircraft engines.

(a) Record here the total cost to the air carrier of complete units of aircraft engines of all types and classes, as provided in section 5-3, together with a full complement of accessories, appurtenances, parts, and fixtures comprising fully assembled engines as delivered by the engine manufacturer ready for operation in test but without the accessories necessary to its installation in

airframes. Also record here in separate subaccounts the costs of aircraft engine overhauls accounted for on a deferral and amortization basis as provided in section 5-4(g).

(b) This account shall be subdivided as follows by all air carriers:

- 1602.1 Aircraft engines.
- 1602.2 Unamortized aircraft engine overhauls.

1607 Improvements to leased flight equipment.

Record here the total cost to the air carrier incurred in connection with modification, conversion, or other improvements to leased flight equipment as provided in section 5-3. Also record here in separate subaccounts the costs of airframe and aircraft engine overhauls of leased aircraft accounted for on a deferral and amortization basis as provided in section 5-4(g).

1608 Flight equipment rotatable parts and assemblies.

(a) Record here the total cost to the air carrier of all spare instruments, parts, appurtenances, and subassemblies related to the primary components of flight equipment units provided for in balance sheet accounts 1601 through 1607, inclusive, as provided in section 5-3. This account shall include all parts and assemblies of material value which are rotatable in nature, are generally re-serviced or repaired, are used repeatedly and possess a service life approximating that of the property type to which they relate. Items of an expendable nature which generally may not be repaired and reused, shall not be recorded in this account but in account 1310 Spare Parts and Supplies. Except for recurrent service sales, flight equipment parts recorded in this account shall be accounted for in accordance with the instructions related to property and equipment generally and shall not be charged to operating expense as retired. Profit or loss on sales of parts as a routine service to others shall be included in profit and loss account 14 General Service Sales—Associated Companies, or 16 General Service Sales—Outside, and parts sold shall be removed from this account at full cost irrespective of any allowance for depreciation which has been provided.

(b) This account shall be subdivided as follows by Group II and Group III air carriers:

- 1608.1 Airframe parts and assemblies.
- 1608.5 Aircraft engine parts and assemblies.
- 1608.9 Other parts and assemblies.
- 1609 Flight equipment.

This classification is established only for purposes of control by the Civil Aeronautics Board and shall reflect the total cost of property and equipment of all types and classes used in the in-flight operations of aircraft.

1629 Flight equipment airworthiness allowances.

(a) Record here accumulated provisions for overhauls of flight equipment as provided in section 5-4 (f) and (g).

(b) Separate subaccounts shall be established for recording accumulated provisions related to each type of airframe and aircraft engine, respectively.

NOTE.—At the option of the air carrier the number "2629" may be assigned to this account for accounting purposes. However, for purposes of reporting on CAB Form 41, the balance in this account shall be reported under account "1629."

1630 Equipment.

Record here the total cost to the air carrier of ground equipment to include the following:

(a) Equipment assigned to aircraft or active line operations as opposed to items held in stock for servicing passengers, as provided in section 5-3, such as broilers, bottleware, dishes, food boxes, thermos jugs, blankets, first aid kits, etc. Spare items shall be carried in balance sheet account 1310 Spare Parts and Supplies and shall be charged directly to expense upon withdrawal from stock for replacing original complements.

(b) Equipment used in restaurants and kitchens, as provided in section 5-3.

(c) Equipment of all types and classes, as provided in section 5-3, used in enplaning and handling traffic and in handling aircraft while on ramps, including motorized vehicles used in ramp service. Classes of equipment used interchangeably between handling aircraft on ramps and in maintaining aircraft may be classified in accordance with normal predominant use.

(d) Non-airborne equipment of all types and classes, as provided in section 5-3, used in meteorological and communication services which is not a part of buildings.

(e) Equipment of all types and classes, as provided in section 5-3, including motorized vehicles used in engineering and drafting services and in maintaining, overhauling, repairing and testing other classes of property and equipment.

(f) Property and equipment of all types and classes, as provided in section 5-3, used in ground and marine transportation services.

(g) Property and equipment of all types and classes, as provided in section 5-3, used in storing and distributing fuel, oil and water, such as fueling trucks, tanks, pipelines, etc.

(h) All other ground equipment of all types and classes, as provided in section 5-3, such as medical, photographic, and employees' training equipment, and airport and airway lighting equipment.

1634 Improvements to leased buildings and equipment.

Record here the total cost to the air carrier incurred in connection with modification, conversion, or other improvements to leased buildings and equipment.

1636 Furniture, fixtures, and office equipment.

Record here the total cost to the air carrier of furniture, fixtures, and office equipment of all types and classes, wherever used or located, as provided in section 5-3.

1640 Buildings.

Record here the total cost to the air carrier of buildings, structures and equipment and related improvements, as provided in section 5-3. Each air carrier shall maintain the following subaccounts in which the values fairly assignable to maintenance and other operations shall be separately recorded:

1640.1 Maintenance buildings and improvements.

1640.9 Other buildings and improvements.

169 Ground property and equipment.

This classification is established only for purposes of control by the Civil Aeronautics Board and shall reflect the total cost of property and equipment of all types and classes other than flight equipment, land, and work in progress.

1669 Allowance for depreciation of flight equipment and ground property and equipment and amortization of overhaul and airworthiness costs.

(a) Record in account 1611 and 1618, inclusive, and 1650 through 1660, inclusive, accruals for depreciation of flight property and ground property and equipment.

(b) As set forth in section 3, Chart of Balance Sheet Accounts, separate accounts shall be established for depreciation allowances to parallel balance sheet accounts 1601 through 1608 established for recording the cost of flight equipment and accounts 1630 through 1640 established for recording the cost of ground property and equipment.

(c) This account shall be used as a control account and shall reflect the total amounts recorded in balance sheet accounts 1611 through 1618 and 1650 through 1660 in addition to account 1629 Flight Equipment Airworthiness Allowance.

1679 Land.

Record here the initial cost and the cost of improving land, as provided in section 5-3.

1685 Equipment purchase deposits and advance payments.

Record here the amount of purchase deposits and advance payments made to acquire operating property and equipment under outstanding purchase commitments.

1689 Construction work in progress.

(a) Record here the direct and indirect costs to the air carrier accumulated to the date of the balance sheet in connection with constructing and readying for installation in operations, for property and equipment of all types and classes as provided in section 5-3. Where properly includible in the property and equipment classification, record here also the accumulated costs for uncompleted overhauls of airframes, aircraft engines, or other material units of property.

(b) At the option of the air carrier this account may be used as a clearing account for recording the cost of property and equipment acquisitions prior to

a distribution thereof to the appropriate property accounts, whether or not conditioning or modification is necessary before placing in service.

NONOPERATING PROPERTY AND EQUIPMENT

1700 Nonoperating property and equipment.

The total cost to the air carrier of nonoperating property and equipment and related allowances for depreciation shall be recorded in balance sheet accounts 1701 through 1789 which, as set forth in section 3, Chart of Balance Sheet Accounts, parallel those established above, balance sheet accounts 1601 through 1689, for recording the cost of operating property and equipment.

OTHER ASSETS

1820 Long-term prepayments.

Record here prepayments of obligations applicable to periods extending beyond one year such as payments on leased property and equipment and other payments and advances for rents, rights, or other privileges.

1830 Unamortized developmental and preoperating costs.

(a) Record here costs accumulated and deferred by the air carrier pertaining to the development of new routes or extension of existing routes, preparation for operation of new routes subsequent to certification by the Civil Aeronautics Board, the integration of new types of aircraft or services, and other preparations for substantial alterations in operational characteristics.

(b) Costs chargeable to this account shall include items directly related to each specific developmental or preoperating project, such as travel and incidental expenses, legal expenses, flight crew training expenses, and regulatory proceedings expenses. Expenses which would be otherwise incurred in the normal air transport operations conducted by the air carrier during the current accounting period shall not be allocated to developmental or preoperating projects and charged to this account. Nor shall this account be credited for revenues from aircraft flights of a developmental or preoperating character the operating costs of which are charged to this account. Any such revenues shall be included in the profit and loss account for the respective type of revenue. This account shall include charges for only those costs associated with projects directed at obtaining new operating authority or expanding the physical capacity of the air carrier and shall not include costs incurred for the purpose of generating revenues through rate adjustment. Accordingly, costs associated with regulatory proceedings involving route awards or amendments, whether successful or unsuccessful to the carrier, shall be included in this account whereas costs associated with regulatory proceedings involving rate or other revenue generation matters shall be charged to appropriate expense accounts.

(c) Records shall be established for new routes or extensions of existing routes to record separately: (1) Costs in-

curred in acquiring or applying for the routes, including all costs incurred prior to certification by the Board and inauguration of service by the air carrier, and (2) costs incurred after revenue operations begin over the new routes or extensions.

(d) Subclassifications shall be established to record for each developmental project the period covered and the purpose of each item of expense. Each air carrier shall classify the costs of all projects included in this account between: (1) Those related and contributing to the normal air transportation services currently conducted by the air carrier; (2) those related to services conducted by the air carrier which are extraneous to or are not otherwise related to the air transportation services currently conducted; and (3) those held in suspense pending status determination in terms of possible contribution to the air transportation services and inauguration of the service or operation to which related.

(e) Amounts included in this account which contribute to or protect the position of the normal air transportation services currently conducted by the carrier shall be amortized to profit and loss account 74 Amortization, unless otherwise approved or directed by the Civil Aeronautics Board. Other amounts included in this account shall be amortized or charged to profit and loss account 89.7 Other Miscellaneous Nonoperating Debits.

1840 Unamortized Debt Expense.

(a) Record here the expense related to the assumption by the air carrier of debt of all types and classes. Amounts recorded in this account shall be amortized to profit and loss account 81 Interest Expense on Long-Term Debt.

(b) This account shall not include the excess of the par value of debt securities over the cash value of consideration received. Instead, discounts shall be recorded in a subaccount of the related liability.

1870 Property acquisition adjustment.

(a) Record here the difference between the purchase price to the air carrier of property and equipment acquired as a part of a business from another air carrier through consolidation, merger, or reorganization, pursuant to a plan approved by the Civil Aeronautics Board, and the depreciated cost to the predecessor company at date of acquisition. Record here also such differences relating to purchases of property and equipment from associated companies unless other treatment is approved by the Board. Separate subaccounts shall be established to record the amounts applicable to each such acquisition.

(b) Balances in this account shall be amortized by charges to profit and loss account 89.7 Other Miscellaneous Nonoperating Debits unless otherwise directed or approved by the Civil Aeronautics Board.

(c) When charges are made to this account, each air carrier shall file a statement of accounting procedures with the Civil Aeronautics Board in accordance

with section 22(d) or 32(d), as applicable. The required statement shall include an explanation of the charges and the air carrier's proposed plan for writeoff or amortization.

(d) The foregoing instructions do not apply to purchases of individual units of property or equipment from another air carrier when such acquisitions do not require approval of the Civil Aeronautics Board.

1880 Intangible assets.

Record here the cost of leaseholds, patents, copyrights, and other intangible properties, rights and privileges acquired as part of a business from other air carriers and other intangible assets not provided for elsewhere. This account shall be subdivided to reflect the nature of each intangible asset included in this account. Amortization of each intangible asset recorded in this account shall be effected in accordance with a plan filed with the Civil Aeronautics Board. (See section 5-5.)

1890 Other assets.

(a) Record here other assets and deferred charges are not provided for elsewhere including noncurrent receivables from nontransport divisions.

(b) Record here debits, the proper final disposition of which cannot be effected until additional information has been received. This account shall include the accumulated cost of labor, materials, and outside services used in the process of manufacturing flight equipment expendable parts and materials and supplies for stock, the accumulated cost of jobs in process for others, and projects to be charged to expense upon completion.

(c) This account shall be charged with property loss and other costs related to casualties and credited with recoveries from purchased insurance and salvage. A debit or credit balance in this account related to property retired as a result of a casualty shall be recorded in profit and loss account 88.1 Capital Gains and Losses—Operating Property or 88.2 Capital Gains and Losses—Other; however, any balances related to property not retired or to other casualties shall be recorded in profit and loss account 58 Injuries, Loss and Damage. Proceeds from purchased insurance for property damage, received prior to repair of such damage, shall not be credited to this account but to balance sheet account 2390 Other Deferred Credits pending repair. The records for each major casualty shall be kept in such manner as to clearly disclose insurance recoveries and the total costs, which shall include charges for the depreciated cost of property damaged or destroyed, costs for clearing wrecks and damaged property and equipment, including salaries and wages for the repair thereof, and payments for damages to property of others. The cost of casualties shall not be charged directly against retained earnings or appropriations thereof, but shall be cleared through the applicable profit and loss accounts in accordance with the foregoing.

CURRENT LIABILITIES

2000 Current maturities of long-term debt.

Record here the face value or principal amount of debt securities issued or assumed by the air carrier which is payable within 12 months of the balance sheet date unless such debt is to be refunded, or where payment is to be made from assets of a type not properly classifiable as current.

2010 Notes payable—banks.

Record here the face value of all notes, drafts, acceptances, or other similar evidences of indebtedness payable on demand or within one year to a bank or another financial institution.

2015 Notes payable—other.

Record here the face value of all notes, drafts, acceptances, or other similar evidences of indebtedness payable on demand or within one year to an associated company or party other than a financial institution.

2020 Trade accounts payable.

Record here all accounts payable within one year which accrued from generally recognized trade practices.

2025 Accounts payable—other.

Record here all accounts payable within one year which are not provided for in accounts 2000 to 2020, inclusive.

2110 Accrued salaries, wages.

Record here amounts accrued for unpaid compensation to personnel, which have been charged to profit and loss or capitalized, as compensation for the period in which accrued.

2120 Accrued vacation liability.

(a) Record here accruals of liabilities for personnel vacations. All vacation policies, plans, or agreements whether oral or written shall be accounted for on an accrual basis whenever a lag exists between vacations earned and vacations taken, thereby resulting in a liability against the carrier under the applicable policy, plan or agreement.

(b) This account shall be credited and the applicable personnel compensation expense account concurrently charged with the cost of any lag between vacations accrued and vacations taken. Accruals may be based upon standard rates of lag, if such standard rates are verified by physical inventory and adjusted accordingly at least once each calendar year. Adjustments of balances in this account shall be cleared to applicable compensation expense accounts. (See section 2-5 for applicable accounting policy.)

(c) Each air carrier shall file a statement with the Board fully describing the accounting procedures followed in accruing liability for personnel vacations. This statement shall include such information as (1) bases of accrual; (2) whether the accruals are made pursuant to a labor agreement, individual contract, or a company policy; and (3) whether the accruals cover all employees or certain categories only. (See section 22(d) or 32(d), as applicable.)

2125 Accrued Interest.

Record here interest payable within one year for all outstanding obligations.

2131 Accrued Taxes.

(a) Record here accruals for currently payable income and other forms of taxes which constitute a charge borne by the air carrier as opposed to those collected as an agent for others. Provisions for deferred taxes shall be accrued in accordance with the provisions of section 2-6 Income Tax Accruals.

(b) At the option of the air carrier, investment tax credits may be treated as a reduction of income tax expense in the year they are actually realized (flow-through method) or they may be deferred and amortized over the useful life of the property to which it relates (deferred method).

(c) Air carriers electing to account for the investment tax credit by the flow-through method shall credit profit and loss subaccount 91.2 Investment Tax Credits Utilized or profit and loss account 97 Income Taxes Applicable to Extraordinary Items and debit this account with the amount of investment tax credit utilized in the current accounting period.

(d) Air carriers electing to account for the investment tax credit by the deferred method shall, concurrent with the above entry set forth in subsection (c), debit profit and loss subaccount 93.1 Investment Tax Credits Deferred or profit and loss account 97 Income Taxes Applicable to Extraordinary Items and credit balance sheet account 2345 Deferred Investment Tax Credits with the investment tax credit utilized as a reduction of the current year's tax liability but deferred for accounting purposes. The investment tax credits deferred in account 2345 shall be amortized to profit and loss subaccount 93.2 Amortization of Deferred Investment Tax Credits over the service life of the related property.

(e) The amount of any potential investment tax credit applicable to property placed in service during each accounting year and not used as an offset against tax liability or the deferred income tax balance as provided in section 6-2340 shall be debited to a memorandum account under balance sheet account 2390 Other Deferred Credits titled "Investment Tax Credits Available" and shall be credited to a memorandum account also under balance sheet account 2390 "Unrealized Investment Tax Credits." As investment tax credits are utilized in the reduction of tax liabilities or deferred taxes, these two memorandum accounts shall be adjusted to reflect the balance of unused and unexpired credits.

(f) Each air carrier shall disclose in the footnotes of its CAB Form 41 for each calendar quarter whether utilized credits are accounted for by the flow-through method or the deferred method. The method selected shall be consistently followed by the carrier.

2140 Dividends Declared.

Record here in separate subdivisions for each class and series of capital stock, all dividends declared but unpaid on capital stock.

2160 Air Traffic Liability.

(a) Record here balances representing the value of unused transportation sold. Transportation sold includes both sales for transportation to be provided by the air carrier and transportation to be provided by another air carrier.

(b) Earned revenue, determined by the yield or average fare method or by the sales-lift-match method, shall be consistently and periodically cleared by debit to this account, and by credit to the appropriate profit and loss revenue account. Amounts receivable for transportation to be provided by the air carrier shall be debited to balance sheet account 1250 Accounts Receivable.

(c) Carriers who determine earned revenue on a yield or average fare method may not accrue income during the accounting year in anticipation of a favorable annual physical inventory determination, nor for unused or un-presented tickets.

(d) Subaccounts to this account shall be established to record balances pertaining to passenger and cargo transportation sold, respectively, and separately to sales in scheduled and non-scheduled services.

(e) In accordance with the provisions of section 22(d) or section 32(d), as applicable, a statement shall be filed with the Board which fully explains the accounting methods and bases of clearing to income, both earned revenue and the revenue that is derived from unused or unredeemed transportation sales.

2190 Other Current Liabilities.

Record here current and accrued liabilities not provided for in accounts 2110 to 2160, inclusive.

NONCURRENT LIABILITIES**2210 Long-Term Debt.**

Record here the face value or principal amount of debt securities issued or assumed by the air carrier and held by other than associated companies, which has not been retired or cancelled and is not payable within 12 months of the balance sheet date, except as provided in section 5-7.

2240 Advances from Associated Companies.

Record here net amounts due associated companies for notes, loans and advances which are not settled currently. Balances payable to and receivable from different associated companies shall not be offset.

2250 Pension Liability.

Record here the liability of the air carrier under employee pension plans, to which either or both employees and the air carrier contribute, if the plan is administered by the air carrier.

2260 Stock Purchase Plan Liability.

Record here the liability for installments received on capital stock from company personnel who are not bound by legally enforceable subscription contracts.

2290 Other Noncurrent Liabilities.

Record here noncurrent liabilities not provided for in balance sheet accounts 2210 to 2260, inclusive, such as accruals for personnel dismissal liability, and accruals of other demonstrable miscellaneous noncurrent liabilities.

DEFERRED CREDITS**2310 Deferred Income Taxes.**

(a) Record here credits and debits representing the net tax effect of material timing differences originating and reversing in the current accounting period giving appropriate recognition to the portion of investment tax credits which would have been allowed if taxes were based on pretax accounting income by a reduction of the deferred tax provision. Loss carry forwards shall be accounted for in accordance with section 2-6(d).

(b) This account shall be credited or debited as appropriate and profit and loss subaccount 92.1 Current Provision for Deferred Taxes or profit and loss account 97 Income Taxes Applicable to Extraordinary Items shall be credited or debited each quarter with the income elements for which the related income tax effect is deferred. The tax effects of timing differences may be computed individually or by similar groups of timing differences. The tax effect of timing for similar groups may be computed using separate computations for the tax effect of originating differences at current rates and for the tax effect of reversing differences at tax rates in effect at the beginning of the period; or, a single computation, at current tax rates for the net cumulative effect of both originating and reversing differences. The method chosen shall be consistently applied from period to period.

(c) This account shall be credited or debited as appropriate and profit and loss subaccount 92.9 Application of Taxes Deferred shall be credited or debited each quarter with deferred tax amounts previously accrued which are allocable to income of the current period.

(d) Upon adjustment or elimination of the income element for which income taxes are deferred, the related deferred tax balance included in this account shall be correspondingly adjusted or eliminated by a credit or debit as appropriate to profit and loss account 92.3 Adjustment of Deferred Taxes.

(e) Any net debit balance in this account shall be treated for statement purposes as a special subaccount of balance sheet account 1890 Other Assets.

(f) All adjustments shall be effected through appropriate credits or debits to profit and loss subaccount 92.3 Adjustment of Deferred Taxes. Full explanation of each adjustment shall be set forth in the footnotes to CAB Form 41 for the period in which the adjustment is made.

2345 Deferred investment tax credits.

Record here investment tax credits utilized as reduction of tax liabilities, when the carrier exercises the option to

defer such credits for amortization over the service life of the related equipment (see section 6-2131).

2390 Other deferred credits.

Record here credits, not provided for elsewhere, the proper final disposition of which cannot be effected until additional information has been received.

COMMITMENTS AND CONTINGENT LIABILITIES**2400 Commitments and Contingent Liabilities.**

Record here all anticipated losses from commitments on contingencies that are probable and can be reasonably estimated.

STOCKHOLDERS' EQUITY**2820 Preferred Stock.**

Record here in separate subdivisions for each class and series, the par or stated value of preferred capital stock issued, or in the case of no-par stock without stated value, the full consideration received.

2840 Common Stock.

Record here in separate subdivisions for each class and series, the par or stated value of common stock issued, or in case of no-par stock without stated value, the full consideration received.

2860 Subscribed and Unissued Stock.

Record here in separate subdivisions for each class and series, the par or stated value, or the subscription price in the case of stock without par or stated value, of legally enforceable subscriptions to the capital stock of the air carrier.

2890 Additional Capital Invested.

(a) Record here in separate subdivisions for each class and series, the difference between the price at which capital stock is sold and the par or stated value of the stock; gains or losses arising from the reacquisition and the resale or retirement of each class and series of capital stock; donations; the excess of retained earnings capitalized over par or stated value of capital stock issued; adjustments in capital resulting from reorganization or recapitalization; and proceeds attributable to detachable stock purchase warrants related to debt issues. This account shall also include balances of contributions to the business enterprise of individual proprietors or partners.

(b) Each air carrier shall maintain the following subaccounts:

2890.1 Premium on Capital Stock.

Record here in separate subdivisions for each class and series of capital stock issued, the excess of the cash value of consideration received over the par or stated value and accrued dividends of stock issued together with assessments against stockholders representing payments required in excess of par or stated value.

2890.2 Discount on Capital Stock.

Record here in separate subdivisions for each class and series of capital stock issued, the excess of the par or stated

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value over the cash value of consideration received, less accrued dividends. Discounts applicable to a particular class and series of capital stock may be offset against premiums from the same class and series of capital stock. Discounts and premiums on different classes and series of capital stock shall not be offset. The air carrier may, at its option, record in this subaccount commissions and expenses incurred in the issuance of capital stock and may charge balance sheet account 2900 Retained Earnings to the extent capital stock expense may exceed any existing balance of paid-in capital over the par or stated value of capital stock.

2890.3 Other Capital Stock Transactions.

Record here in separate subdivisions for each class and series, the balance of credits arising from the reacquisition and resale or cancellation of capital stock, credits arising from a reduction in the par or stated value of capital stock or the net balance of credits or debits resulting from other paid-in capital transactions such as proceeds attributable to detachable stock purchase warrants related to debt issues, not provided for elsewhere, which is identified with a particular class and series of capital stock.

2900 Retained Earnings.

(a) Record here the net income or loss from operations of the air carrier and dividends declared on capital stock.

(b) This account shall not be charged with dividends on treasury stock. If a dividend is not payable in cash, the values entered in this account shall be completely described.

(c) Delayed credits or charges to income shall not be entered in this account directly but in appropriate profit and loss accounts.

(d) Net income or loss accounted for during the current fiscal year shall not be entered in this account until the close of the fiscal year. Individual proprietorships or partnerships may clear net income or loss accounted for during the year directly to balance sheet account 2890 Additional Capital Invested, or optionally, to this account for subsequent transfer to balance sheet account 2890 Additional Capital Invested.

2940 Net Unrealized Loss on Noncurrent Marketable Equity Securities.

Record here the changes in the valuation of marketable equity securities included in noncurrent assets. Such changes shall be reflected in this account to the extent the balance in this account represents a net unrealized loss as of the current balance sheet date.

2990 Treasury Stock.

(a) Charge here the cost of capital stock issued by the air carrier reacquired by it and not retired or canceled. Capital credits or debits resulting from the resale or retirement of capital stock held in this account shall be entered in balance sheet account 2890.3 Other Capital Stock Transactions.

(b) Separate records shall be established for each class and series of capital stock held in this account.

18. Amend Section 7—Chart of Profit and Loss Accounts to read in pertinent part as follows:

Objective classification of profit and loss elements	Functional or financial activity to which applicable (00)		
	Group I carriers	Group II carriers	Group III carriers
OPERATING REVENUES AND EXPENSES			
Transport revenues:			
01.2 Passenger—coach	31,32	31,32	31,32
02 Mail:			
02.1 Priority	31,32	31,32	31,32
02.2 Nonpriority	31,32	31,32	31,32
02.3 Foreign	31,32	31,32	31,32
06 Property:			
06.3 Excess passenger baggage	31,32	31,32	31,32
07 Charter:			
07.1 Passenger	32	32	32
07.2 Property	32	32	32
08 Public service revenues (subsidy)	48	48	48
Air transport—Other and Transport-related revenues and expenses:			
09 In-flight sales:			
18.3 Other expense	71	71	71
19 Other operating revenues:			
19.1 Reservation cancellation fees	31,32	31,32	31,32
19.9 Miscellaneous operating revenue	31,32	31,32	31,32
Transport expenses:			
75.9 General ground property	70	70	70
77 Uncleared expense credits			
NONOPERATING INCOME AND EXPENSE			
80 Interest income:	81	81	81
81 Interest on long-term debt	81	81	81
82 Other interest	81	81	81
83 Capitalized interest:			
83.1 Imputed interest capitalized—credit	81	81	81
83.2 Imputed interest deferred—debit	81	81	81
83.3 Imputed interest deferred—credit	81	81	81
83.4 Interest capitalized—credit	81	81	81
84 Amortization of debt discount, premium and expense:			
84.1 Amortization of discount and expense on debt	81	81	81
84.2 Amortization of premium on debt	81	81	81
85 Foreign exchange gains and losses	81	81	81
86 Income from nontransport ventures	81	81	81
87 Other nonoperating income and expense—net:			
87.1 Net unrealized gain or loss on marketable equity securities	81	81	81
87.2 Net realized gain or loss on marketable equity securities	81	81	81
88.1 Capital gains and losses—operating property	81	81	81
88.2 Capital gains and losses—other	81	81	81
89.1 Unapplied cash discounts	81	81	81
89.2 Income from investor controlled companies	81	81	81
89.3 Dividend income—other than investor controlled companies	81	81	81
89.4 Intercompany transaction adjustment—credit	81	81	81
89.5 Other miscellaneous nonoperating credits	81	81	81
89.6 Intercompany transaction adjustment—debit	81	81	81
89.7 Other miscellaneous nonoperating debits	81	81	81
INCOME TAXES			

19. Amend Section 10—Functional Classification—Operating Expenses of Group I Air Carriers by revising paragraph (c) of account 5300 Maintenance Burden to read as follows:

5300 Maintenance Burden.

c. This subfunction shall include only those expenses attributable to the current air transport operations of the air carrier. Maintenance burden associated with capital projects of the air carrier, other than overhauls of airframes and aircraft engines, shall be allocated thereto in accordance with the provisions of section 2-9(b). Maintenance burden incurred in common with services to other companies and operating entities shall be allocated thereto on a pro rata basis unless such services are so infrequent in performance or small in volume as to result in no appreciable de-

mands upon the air carrier's maintenance facilities. When overhauls of airframes or aircraft engines are as a consistent practice accounted for on an accrual basis instead of expensed directly, maintenance burden shall be allocated thereto on a pro rata basis. Standard burden rates may be employed for quarterly allocations of maintenance burden provided the rates are reviewed at the close of each fiscal year, at least. When the actual burden rates for the year differs materially from the standard burden rate applied, adjustment shall be made to reflect the actual cost incurred for the full accounting year. Allocations of maintenance burden to capital projects, and service sales to others shall be effected through the individual maintenance burden objective accounts, except that the air carrier may effect such allocations by credits to profit and loss account 77 Uncleared Expense Credits

under circumstances in which the use of that account will not undermine the significance of the individual maintenance burden objective accounts in terms of the expense levels associated with the air carrier's air transport services. Maintenance burden allocated to overhauls shall be credited to profit and loss subaccounts 5372.2 or 5372.7 Airworthiness Allowance Charges. In accordance with the provisions of section 22(d) or 32(d), as applicable, each air carrier shall file with the Civil Aeronautics Board a statement in which procedures followed in allocating maintenance burden between current transport services, overhauls, capital projects, and outside services are fully explained.

20. Amend Section 11—Functional Classification—Operating Expenses of Group II and Group III Air Carriers by revising paragraph (c) of account 5300 Maintenance Burden to read as follows:

5300 Maintenance Burden.

c. This subfunction shall include only those expenses attributable to the current air transport operations of the air carrier. Maintenance burden associated with capital projects of the air carrier, other than overhauls of airframes and aircraft engines, shall be allocated thereto in accordance with the provisions of section 2-9(b). Maintenance burden incurred in common with services to other companies and operating entities shall be allocated thereto on a pro rata basis unless such services are so infrequent in performance or small in volume as to result in no appreciable demands upon the air carrier's maintenance facilities. When overhauls of airframes or aircraft engines are as a consistent practice accounted for on an accrual basis instead of expensed directly, maintenance burden shall be allocated thereto on a pro rata basis. Standard burden rates may be employed for quarterly allocations of maintenance burden provided the rates are reviewed at the close of each fiscal year, at least. When the actual burden rate for the year differs materially from the standard burden rate applied, adjustment shall be made to reflect the actual costs incurred for the full accounting year. Allocations of maintenance burden to capital projects, and service sales to others shall be effected through the individual maintenance burden objective accounts, except that the air carrier may effect such allocations by credits to profit and loss account 77 Uncleared Expense Credits under circumstances in which the use of that account will not undermine the significance of the individual maintenance burden objective accounts in terms of the expense levels associated with the air carrier's air transport services. Maintenance burden allocated to overhauls shall be credited to profit and loss subaccounts 5372.2 or 5372.7 Airworthiness Allowance Charges. In accordance with the provisions of section 22(d) or 32(d), as applicable, each air carrier shall file with the Civil Aeronautics Board a statement in which procedures followed in allocating maintenance

burden between current transport services, overhauls, capital projects, and outside services are fully explained.

21. Amend Section 12—Objective Classification—Operating Revenues and Expenses as follows:

A. By revising account 02 United States Mail to read:

02 Mail.

(a) Record here revenue from both the transportation by air of United States mail at service mail rates established by the Civil Aeronautics Board and the transportation by air of mail other than United States mail.

(b) Fines and penalties imposed by the United States Government and foreign governments in connection with the carriage of mail shall not be charged to this account but to profit and loss account 89.7 Other Miscellaneous Nonoperating Debits.

(c) This account shall be subdivided as follows by all air carrier groups:

02.1 Priority.

Record here revenue from United States mail bearing postage at rates established specifically for air mail service or mail moving at service transportation rates equivalent to those established for mail bearing the full air mail postage.

02.2 Nonpriority.

Record here revenue from United States mail moving at service transportation rates lower than those established for mail bearing postage established specifically for air mail service.

02.3 Foreign.

Record here revenue from the transportation by air of mail other than United States mail.

B. By revising the title of account 07 Charter and Special to read as follows:

07 Charter.

C. By deleting the function title between accounts 07.2 and 08 which reads:

TRANSPORT-RELATED REVENUES AND EXPENSES

D. By changing the account title of account 08 Section 406 Subsidy to read as follows:

08 Public Service Revenues (Subsidy)

E. By adding a new function title between accounts 08 and 09 to read as follows:

AIR TRANSPORT—OTHER AND TRANSPORT-RELATED REVENUES AND EXPENSES

F. By revising the last sentence of paragraph (b) of account 14 General Service Sales to read as follows:

14 General Service Sales.

(b) * * * Maintenance parts, materials or supplies sold as a service to others shall be charged to this account at cost without adjustment of related obsolescence or depreciation allowances.

G. By revising paragraph (b) of account 19 Other Operating Revenues to read as follows:

19 Other Operating Revenues.

(b) Revenues derived from sightseeing, aerial photography, advertising, or other special flights shall not be included in this account but in account 07 Charter.

H. By revising account 40 Legal Fees and Expenses to read as follows:

40 Legal Fees and Expenses.

Record here expenditures incurred for legal services by counsel retained on a fee basis and related expenses reimbursed or borne directly by the air carrier and other expenses incurred directly by the air carrier for legal supplies not obtainable from the air carrier's general stationery stock. This account shall not be charged with legal fees or expenses incurred in connection with claims occasioned by accidents or other casualties. Such charges shall be accumulated in balance sheet account 1890 Other Assets and cleared to profit and loss account 58 Injuries, Loss and Damage upon settlement of insurance claims. Nor should this account include fees or expenses related to developmental projects. Such expenses shall be included, as appropriate, in profit and loss account 89.7 Other Miscellaneous Nonoperating Debits or balance sheet account 1830 Unamortized Developmental and Preoperating Costs.

I. By revising account 41 Professional and Technical Fees and Expenses to read as follows:

41 Professional and Technical Fees and Expenses.

Record here fees and expenses, other than legal fees and expenses, incurred for outside professional and technical services which are reimbursed or borne directly by the air carrier. This account shall not include fees or expenses related to developmental projects. Such expenses shall be included, as appropriate, in profit and loss account 89.7 Other Miscellaneous Nonoperating Debits or balance sheet account 1830 Unamortized Developmental and Preoperating Costs.

J. By revising account 54 Inventory Adjustments to read as follows:

54 Inventory Adjustments.

Record here adjustments for overage, shortage, or shrinkage of inventories carried in balance sheet account 1310 Spare Parts and Supplies. Adjustment of aircraft fuel and oil inventories shall not be included in this account but in profit and loss account 45 Aircraft Fuels and Oils. Gains or losses from retirements of materials and supplies shall not be recorded in this account but in profit and loss account 88.1 Capital Gains and Losses—Operating Property.

K. By revising account 58 Injuries, Loss and Damage to read as follows:

58 Injuries, Loss, and Damage.

Record here the remainder of gains, losses or costs resulting from accidents, casualties, or mishandlings, after offsetting insurance recoveries, as accumulated until finally determined, in balance sheet account 1890 Other Assets. This ac-

count shall not include gains or losses from retirement of property and equipment resulting from casualties. Such gains or losses shall be recorded in appropriate capital gains or losses accounts.

L. By revising account 66 Uncollectible Accounts to read as follows:

66 Uncollectible Accounts.

Record here losses from uncollectible accounts and allowance provisions and adjustments thereto, for such losses. When allowances for uncollectible accounts are established, losses as realized shall be charged against such allowances and shall not be charged to this account.

M. By revising paragraph (a) of account 69 Taxes—Other Than Payroll to read as follows:

69 Taxes—Other Than Payroll.

(a) Record here all taxes levied against the air carrier not otherwise provided for including nonrefundable aircraft fuel and oil taxes. Interest and penalties on delinquent taxes shall not be charged to this account but to profit and loss accounts 82 Other Interest and 89.7 Other Miscellaneous Nonoperating Debits, respectively.

N. By revising paragraph (b) of account 72 Aircraft Overhauls to read in pertinent part as follows:

72 Aircraft Overhauls.

(b) * * *

72.1 Airworthiness Allowance Provisions—Aircraft.

72.2 Airworthiness Allowance Charges—Aircraft (Credit).

72.6 Airworthiness Allowance Provisions—Aircraft Engines.

72.7 Airworthiness Allowance Charges—Aircraft Engines (Credit).

O. By revising account 73 Provisions for Obsolescence and Deterioration—Expendable Parts to read as follows:

73 Provisions for Obsolescence and Deterioration—Expendable Parts.

(a) Where allowances for loss in value of flight equipment expendable parts are established, provisions for accruals to such allowances shall be charged to this account and credited to balance sheet account 1311 Allowance for Obsolescence in accordance with the provisions of that account.

(b) This account shall be subdivided as follows by all air carrier groups:

73.1 Current Provisions.

Record here provisions during the current period for losses in value of expendable parts.

73.2 Inventory Decline Credits.

Record here credits applicable to the current period for any adjustments for excess inventory allowance levels determined pursuant to section 6-1311.

P. By revising paragraph (b) of account 74 Amortization to read in pertinent part as follows:

74 Amortization.

(b) * * *

74.1 Developmental and Preoperating Expenses.

Record here amortization of the cost of projects carried in balance sheet account 1830 Unamortized Developmental and Preoperating Costs as approved or directed by the Civil Aeronautics Board.

22. Amend Section 14—Objective Classification—Nonoperating Income and Expense to read in its entirety as follows:

Section 14—Objective Classification—Nonoperating Income and Expense.

80 Interest Income.

(a) Record here interest income from all sources. This account shall include as an increase or reduction of interest received the proportionate amortization of any discount or premium on the purchase price of securities of others held by the air carrier.

(b) This account shall not include interest on securities issued or assumed by the air carrier and subsequently reacquired.

81 Interest on Long-Term Debt.

Record here interest on all classes of debt which are scheduled to mature more than one year from the date of the current balance sheet.

82 Other Interest.

Record here interest on all classes of debt which are scheduled to mature within one year from the date of the current balance sheet date.

83 Capitalized Interest.

(a) Record here all interest which is capitalized pursuant to section 2-10 and charged to asset accounts.

(b) This account shall be subdivided as follows by all air carrier groups:

83.1 Imputed Interest Capitalized—Credit.

Record here credits related to imputed interest capitalized and recorded in asset accounts.

83.2 Imputed Interest Deferred—Debit.

Record here debits related to imputed interest deferred in balance sheet account 2390 Other Deferred Credits.

83.3 Imputed Interest Deferred—Credit.

Record here periodic credits for imputed interest, cleared to this account as the amount of such interest in the asset accounts is written off.

83.4 Interest Capitalized—Credit.

Record here interest which is capitalized and recorded in asset accounts.

84 Amortization of Debt Discount, Premium and Expense.

(a) Record here for all classes of debt the amortizations of premium, discount, and expense on short-term and long-term obligations.

(b) This account shall be subdivided as follows by all air carrier groups:

84.1 Amortization of Discount and Expense on Debt.

84.2 Amortization of Premium on Debt.

85 Foreign Exchange Gains and Losses.

Record here all gains and losses from foreign currency translations which are recognized in the determination of net income for the current accounting period in accordance with the provisions of section 2-3.

86 Income from Nontransport Ventures.

(a) Record here the gross revenues and expenses applicable to operations not reasonably considered as incidental to the commercial air transport services of the accounting entity; rents from nonoperating properties used by others; income or loss from nontransport divisions; and other income or loss from activities of the air carrier which are extraneous to the air transport and incidental services of the accounting entity.

(b) This account shall include revenues and expenses applicable to non-scheduled transport services performed for the defense establishment when and as separate reports for such services are required in accordance with section 21 or 31, as applicable, Introduction of System of Reports. Where the foregoing transport services are not required to be separately reported, gross revenues from such services shall be included in profit and loss account 07 Charter, or other appropriate revenue account, and gross expenses shall be included in the appropriate operating expenses functions.

87 Other Nonoperating Income and Expense—Net.

(a) Record here all debits and credits of a nonoperating character which are not otherwise provided for in this section.

(b) This account shall be subdivided as follows by all air carrier groups:

87.1 Net Unrealized Gain or Loss in Marketable Equity Securities.

Record here the net unrealized gain or loss on the valuation of marketable equity securities pursuant to the provisions of section 2-12.

87.2 Net Realized Gain or Loss on Marketable Equity Securities.

Record here the net realized gain or loss on the valuation of marketable equity securities pursuant to the provisions of section 2-12.

88.1 Capital Gains and Losses—Operating Property.

Record here gains or losses on retirements of operating property and equipment, flight equipment expendable parts, or miscellaneous materials and supplies sold or otherwise retired in connection with a general retirement program as opposed to incidental sales performed as a service to others.

88.2 Capital Gains and Losses—Other.

Record here gains or losses on retirement of nonoperating property and equipment and investments in securities of others.

89.1 Unapplied Cash Discounts.

Record here cash discounts on routine purchases of materials, repair parts or supplies. Cash discounts on classes of assets included in property and equipment accounts shall not be recorded in this account but shall be applied as a reduction of the cost of such assets.

89.2 Income from Investor Controlled Companies.

Record here the equity in the current earnings or losses of investor controlled companies. Dividends declared on the stock of such companies shall not be included in this account as income but shall be entered in balance sheet subaccount 1510.1 Investments in Investor Controlled Companies as a return on investment. The foregoing instructions shall not apply to investments in nontransport foreign investor controlled companies.

89.3 Dividend Income—Other than Investor Controlled Companies.

Record here income from dividends declared on stocks of other than investor controlled companies. Dividends declared on stock of investor controlled companies shall not be included in this account but shall be entered in balance sheet subaccount 1510.1 Investments in Investor Controlled Companies.

89.4 Intercompany Transaction Adjustment—Credit.

Record here all intercompany credits for any differences between amounts at which transactions between the air carrier and its nontransport divisions or associated companies are initially recorded and are to be settled as provided under section 2-18.

89.5 Other Miscellaneous Nonoperating Credits.

Record here all credits of a nonoperating character not provided for otherwise, such as

royalties from patents and gains from the reacquisition and retirement or resale of debt securities issued by the air carrier.

89.6 Intercompany Transaction Adjustment—Debit.

Record here all intercompany debits for any differences between amounts at which transactions between the air carrier and its nontransport divisions or associated companies are initially recorded and are to be settled as provided under section 2-18.

89.7 Other Miscellaneous Nonoperating Debits.

Record here all debits of a nonoperating character not provided for otherwise, such as fines or penalties imposed by governmental authorities; costs related to property held for future use; donations for charitable, social or community welfare purposes; losses on reacquired and retired or resold debt securities of the air carrier; losses on uncollectible nonoperating receivables; or accruals to allowance for uncollectible nonoperating receivables. This account shall be charged with the amortization of amounts carried in balance sheet account 1870 Property Acquisition Adjustment, unless otherwise approved or directed by the Civil Aeronautics Board.

23. Amend Section 22—General Reporting Instructions as follows:

A. By revising the list of reporting schedules in paragraph (a) so that the list in pertinent part reads:

Schedule No.	Schedule title	Filing frequency
B-1	Balance sheet.	Monthly.
B-2	Notes to financial statements.	Annually.
B-3	Statement of changes in stockholders' equity.	Quarterly.
B-4	Valuation and qualifying accounts; accounts with investor controlled companies; other associated companies and nontransport divisions.	Do.
B-5	Property and equipment.	Do.
B-6	Accumulations of regulatory components of flight equipment depreciation.	Do.
B-7	Airframes and aircraft engines acquired.	Do.
B-8(a)	Unamortized developmental and preoperating costs.	Quarterly.
B-10	Statement of changes in financial position.	Do.
B-12	Summary of projected financial commitments and related deposits.	Do.
B-13		
B-46	Long-term and short-term nontrade debt.	Do.
B-47	Holders of more than 5% or \$500,000, whichever is smaller, of issues of long-term and short-term nontrade debt.	Do.
P-1.1	Statement of operations.	Quarterly.
P-1.2	do.	Do.
P-1(a)	Interim statement of operations.	Monthly.
P-2	Notes to CAB form 41 report.	Quarterly.
P-2(a)	Revenue market report.	Do.
P-3	Transport revenues; depreciation and amortization; nonoperating income and expense (net).	Do.
P-3(a)	Income taxes.	Do.
P-3(b)	Memorandum allocation of income taxes.	Do.
P-4	Public service revenues and air transport revenues other and transport-related revenues and expenses; explanation of extraordinary items and cumulative effect of accounting changes on prior years; explanation of prior period adjustments and dividends declared.	Do.
P-5.1	Aircraft operating expenses—group I air carriers.	Do.

B. By revising the list of "Due Dates of Schedules in CAB Form 41 Report" in paragraph (a) so that the list in pertinent part reads:

DUE DATES OF SCHEDULES IN CAB FORM 41 REPORT

Due date ¹	Schedule No.
Jan. 20.....	P-12, P-12(a).
Jan. 30.....	B-1, P-1(a), P-13, T-1, T-2, T-3, T-6, T-7, T-41.

Due date ¹	Schedule No.
Feb. 10.....	A, B-2, B-3, B-4, B-5, B-6, B-7, B-7(b), B-8, B-10, B-12, B-13, B-14, P-1.1, P-1.2, P-2, P-2(a), P-3, P-3(a), P-3(b), P-4, P-5.1, P-5.2, P-5(a), P-6, P-7, P-8, P-9.1, P-9.2, P-10, P-11(a), P-11(b).
Feb. 20.....	P-12, P-12(a).
Mar. 1.....	B-1, P-1(a), P-13, T-1, T-7.
Mar. 20.....	P-12, P-12(a).

Due date ¹	Schedule No.
Mar. 30.....	A-2, B-1, B-41, B-43, B-44, B-46, B-47, P-1(a), P-13, G-41, G-42, G-43, G-44, T-1, T-7.
Apr. 20.....	P-12, P-12(a).
Apr. 30.....	B-1, P-1(a), P-13, T-1, T-2, T-3, T-6, T-7.
May 10.....	A, B-3, B-4, B-5, B-6, B-7, B-7(b), B-8, B-10, B-12, B-13, B-14, P-1.1, P-1.2, P-2, P-2(a), P-3, P-3(a), P-3(b), P-4, P-5.1, P-5.2, P-5(a), P-6, P-7, P-8, P-9.1, P-9.2, P-10, P-11(a), P-11(b).
May 20.....	P-12, P-12(a).
May 30.....	B-1, P-1(a), P-13, T-1, T-7.
June 20.....	P-12, P-12(a).
June 30.....	B-1, P-1(a), P-13, T-1, T-7.
July 20.....	P-12, P-12(a).
July 30.....	B-1, P-1(a), P-13, T-1, T-2, T-3, T-6, T-7.
Aug. 10.....	A, A-1, B-3, B-4, B-5, B-6, B-7, B-7(b), B-8, B-10, B-12, B-13, B-14, P-1.1, P-1.2, P-2, P-2(a), P-3, P-3(a), P-3(b), P-4, P-5.1, P-5.2, P-5(a), P-6, P-7, P-8, P-9.1, P-9.2, P-10, P-11(a), P-11(b).
Aug. 20.....	P-12, P-12(a).
Aug. 30.....	B-1, P-1(a), P-13, T-1, T-7.
Sept. 20.....	P-12, P-12(a).
Sept. 30.....	B-1, P-1(a), P-13, T-1, T-7.
Oct. 20.....	P-12, P-12(a).
Oct. 30.....	B-1, P-1(a), P-13, T-1, T-2, T-3, T-6, T-7, T-41.
Nov. 10.....	A, B-3, B-4, B-5, B-6, B-7, B-7(b), B-8, B-10, B-12, B-13, B-14, P-1.1, P-1.2, P-2, P-2(a), P-3, P-3(a), P-3(b), P-4, P-5.1, P-5.2, P-5(a), P-6, P-7, P-8, P-9.1, P-9.2, P-10, P-11(a), P-11(b).
Nov. 20.....	P-12, P-12(a).
Nov. 30.....	B-1, P-1(a), P-13, T-1, T-7.
Dec. 20.....	P-12, P-12(a).
Dec. 30.....	B-1, P-1(a), P-13, T-1, T-7.

¹ Due dates falling on a Saturday, Sunday, or national holiday will become effective the first following working day.

² B and P reporting dates are extended to Mar. 30, if preliminary schedules are filed at the Board by Feb. 10.

C. By adding a new paragraph (k) to read:

(k) Schedules B-1, B-2, B-3, B-4(a), B-5, B-10, B-12, B-46, P-1.1, and P-1.2 have been designed to permit submission to the Securities and Exchange Commission (SEC) in lieu of certain requirements of SEC Form 10-K Item 10 for parent company air carriers accounting for subsidiaries using the equity method and other air carriers filing unconsolidated reports. In addition, schedules B-1, P-1.1, and P-1.2 have been designed to satisfy SEC Form 10-Q requirements.

24. Amend Section 23—Certification and Balance Sheet Elements as follows:

A. Revise paragraph (c) and add a new paragraph (d) to the reporting instructions for Schedule B-1 Balance Sheet to read:

(c) Individual proprietors or partners shall report the aggregate capital contributed by the proprietor or partners

in account 2890 Additional Capital Invested.

(d) This schedule has been designed to facilitate the presentation of comparative data for prior periods when used in submissions to the Securities and Exchange Commission. (See section 22(k).)

B. Revise the title and reporting instructions for schedule B-2 to read:

Schedule B-2—General notes to financial statements

(a) This schedule shall be filed annually by all route air carriers.

(b) Footnotes included on this schedule shall conform with the requirements of the Securities and Exchange Commission Regulation S-X Article 3 Rules of General Application Rule 3-16 General notes to financial statements.

(c) In cases where identical footnotes are submitted to the Securities and Exchange Commission (SEC) in their entirety, a photocopy of the footnotes submitted to SEC can be submitted in lieu of schedule B-2.

C. Revise the title and reporting instructions for schedule B-3 to read:

Schedule B-3—Statement of changes in stockholder's equity

(a) This schedule shall be filed by all route air carriers.

(b) Amounts reported as Balance at end of period for each account shall agree with corresponding amounts reported on Schedule B-1 "Balance Sheet."

(c) Individual proprietors or partners shall reflect the name of the proprietor or each partner at the head of the columns captioned "Class of Stock" and the balance of contributions to the business entity by the proprietor or each partner shall be reflected in these columns. The total contributions by all partners shall be reflected in the column captioned "Additional Capital Invested—Account 2890."

(d) This schedule has been designed to facilitate the presentation of comparative data for prior periods when used in submission to the Securities and Exchange Commission. (See section 22(k).)

D. Revise the title and paragraph (b) of the reporting instructions for schedule B-4 to read:

Schedule B-4—Valuation and qualifying accounts; accounts with investor controlled companies, other associated companies and nontransport divisions

(b) Each allowance account (including Account 1290 Allowance for uncollectible accounts, Account 1311 Allowance for obsolescence, and Account 1530.2 Allowance for net unrealized loss on noncurrent marketable equity securities) shall be separately identified in the indicated section of this schedule. The balance of each allowance as at the end of each quarter shall agree with corresponding amounts reported on schedule B-1—Balance Sheet.

E. Revise paragraphs (f) and (h) and delete paragraph (g) of the reporting instructions for schedule B-5 to read:

(f) Column 6, "Transfers between Other Accounts" shall reflect the cost of assets reclassified as between property and equipment and other balance sheet accounts during the current quarter and identification of the contra accounts affected by the transfer. Credit transfers shall be indicated by an asterisk (*). The cost of property and equipment and the related balances in allowances for depreciation and airworthiness at the end of each quarter shall agree with corresponding amounts reported on schedule B-1—Balance Sheet.

(g) [Reserved]

(h) In calculating the "Allowance for Depreciation" any change in the estimated useful lives or in the residual value of depreciable assets shall be effective as of the beginning of the fiscal or calendar period during which the change is adopted.

F. Insert, following the reporting instructions for schedule B-5, reporting instruction for new schedule B-6 to read:

Schedule B-6—Accumulations of regulatory components of flight equipment depreciation

(a) This schedule shall be filed by all route air carriers.

(b) Amounts reported shall reflect the accumulation of provisions for losses due to use and obsolescence computed in accordance with such standards as may be or are prescribed for regulatory purposes.

G. Revise paragraph (j) of the reporting instructions for schedule B-7 to read:

(j) Columns 12 and 15, "Allowance for Depreciation" and "Flight Equipment Airworthiness Allowance," respectively, shall include the amount of such allowances applicable to property and equipment transferred from nontransport divisions.

H. Revise paragraph (f) of the reporting instructions for schedule B-7(a) to read:

(f) This schedule shall include a separate memorandum summary of the re-equipment funds in account 1550 Special Funds, under benefit of section 406(d) of the Act. The summary shall list the date of sale or other disposition from which the gain was derived and the related balance remaining in account 1550.

I. Revise paragraph (1) of the reporting instructions for schedule B-7(b) to read:

(1) Column 14, "Allowance for Depreciation" shall include the amount of such allowance applicable to property and equipment transferred from nontransport divisions.

J. Revise paragraphs (f), (g), and (h) of the reporting instructions for schedule B-8 to read:

(f) Column 10, "Realization" shall reflect the proceeds from disposition.

(g) Column 12, "Gain or Loss" shall, in aggregate for retirements of all property and equipment together with gain

or loss on sale of securities, agree with amounts reflected by the air carrier on schedule P-3 in profit and loss subaccounts 88.1 Capital Gains and Losses—Operating Property and 88.2 Capital Gains and Losses—Other.

(h) Column 13, "Disposition," shall reflect the name of the person or organization to which airframes and aircraft engines are sold or a notation as to the nature of the retirement and the account to which any depreciated cost has been charged if not sold. Items included in accounts 1607, 1608, 1707, and 1708, sold as a part of airframe or aircraft engine sales transactions, shall also be identified by the name of the buyer. Other sales of items included in these accounts shall be reported in a separate group in aggregate for each property account affected, while all ground property dispositions shall be reported in a single aggregate and need not be identified by names of the buyers.

K. Revise paragraphs (d), (f), and (h) of the reporting instructions for schedule B-8(a) to read:

(d) Column 8, "Net Amount of Gain" shall reflect the net of column 5 minus columns 6 and 7.

(f) Columns 10 and 11 shall reflect the date and amount of each gain deposited in a re-equipment fund for reinvestment in flight equipment. Such deposits shall be recorded in account 1550 Special Funds.

(h) This schedule shall include a separate memorandum summary of the re-equipment funds in account 1550 Special Funds, under benefit of section 406(d) of the Act. The summary shall list the date of sale or other disposition from which the gain was derived and the related balance remaining in account 1550.

L. Revise the title and paragraphs (e) and (f) of the reporting instructions for schedule B-10 to read:

Schedule B-10—Unamortized developmental and preoperating costs

(e) Column 7, "Unamortized Balance—End of Period" shall, in total, agree, when aggregated for the air carrier as a whole, with the corresponding balance of account 1830 shown in schedule B-1—Balance Sheet.

(f) This schedule has been designed to facilitate the presentation of comparative data for prior periods when used in submission to the Securities and Exchange Commission. (See section 22(k).)

M. Revise the title and paragraph (c) and add a new paragraph (e) to the reporting instructions for schedule B-12 to read:

Schedule B-12—Statement of changes in financial position

(c) In determining funds from operations, net income as reported in item 9899 on Schedule P-1.1 and Schedule P-1.2

shall be increased by the indicated non-fund charges and shall be decreased by nonfund credits such as gains on property retirements and undistributed earnings of subsidiaries. The nonfund credits shall be included net on line 6 "Other nonfund items." If the amount reported on line 6, line 12, or line 18 exceeds 5 percent of the total sources or applications, a footnote shall be added to this schedule disclosing the component amounts.

(e) This schedule has been designed to facilitate the presentation of comparative data for prior periods when used in submission to the Securities and Exchange Commission. (See section 22(k).)

N. Revise paragraphs (l) and (m) of the reporting instructions for schedule B-44 to read:

(l) Column 8 shall reflect the net of any current year adjustments with each company listed in column 1 which pertain to settlements of prior years and which are recorded in asset accounts 1200, 1250, 1510, 1520, or 1890, or liability accounts 2025, 2240, and/or 2290.

(m) Column 9 shall reflect, for each company or other organization, reflected in column 1, the aggregate of the settlements established which should equal the sum of amounts shown in columns 4 and 5 adjusted by the net of amounts shown in columns 6, 7, and 8. The amounts in this column shall conform with the balance of accruals for the year, before liquidation, to accounts 2025, 2240, and/or 2290, with respect to resource acquisitions and accounts 1200, 1250, 1510, 1520, or 1890, with respect to resource dispositions, for each company or other organization, reflected in column 1, and as reflected at year-end in Schedule B-4—Valuation and qualifying accounts; accounts with investor controlled companies, other associated companies and nontransport divisions.

O. Revise reporting instructions for schedule B-46 to read in its entirety as follows:

Schedule B-46—Long-term and short-term non-trade debt

(a) This schedule shall be filed by all route air carriers and all persons controlling a route air carrier, and shall reflect information pertaining to each issue of long-term debt and short-term debt (other than trade liabilities) of the air carrier or the person controlling the air carrier, as applicable, in excess of 5 percent of their respective total outstanding debt.

(b) Single but separate sets of this schedule shall be filed for the overall corporate or other legal entity comprising the air carrier or the person controlling the air carrier, as the case may be.

(c) When this schedule is filed by a "Controlling Person," the name of such person shall be entered in the space provided for the name of the reporting air carrier with the designation "Controlling Person" indicated parenthetically.

(d) Column 1 shall reflect a description of each particular issue of debt, such as "Sinking Fund Debentures," "Bank

Notes," "Credit Agreement," etc. This column shall also reflect for each issue a brief description of the terms of payment and, where applicable, conversion privileges, including conversion periods, rates of conversion, and the securities into which convertible.

(e) Columns 2, 3, and 4 shall reflect the date of issue, date of maturity, and the interest rate per annum, respectively.

(f) Column 5 shall reflect the amount of bonds or other evidences of debt originally issued, as distinguished from the amount authorized.

(g) Column 6 shall reflect the face value or principal amount of debt securities issued or assumed which has not been retired or canceled, and are not payable within one year of the reporting date.

(h) Column 7 shall reflect the balance of the premium or discount applicable to any debt described in column 1 which represents a long-term maturity at December 31.

(i) Column 8 shall reflect the face value of all notes, drafts, acceptances or other similar evidences of indebtedness payable on demand or within one year, including the portion of long-term debt due within one year of the reporting date.

(j) For route air carriers, the totals in columns 6 and 8 shall reflect the balance outstanding as at the end of the reporting period in account 2210 Long-Term Debt and the sum of accounts 2000 Current Maturities of Long-Term Debt, 2010 Notes Payable—Banks, and 2015 Notes Payable—Other on Schedule B-1, respectively.

P. Add reporting instructions for new Schedule B-47—Holders of More than 5% or \$500,000, Whichever is Smaller, of Issues of Long-Term and Short-Term Non-Trade Debt to read as follows:

Schedule B-47—Holders of more than 5% or \$500,000, whichever is smaller, of issues of long-term and short-term non-trade debt

(a) This schedule shall be filed by all route air carriers.

(b) This schedule shall reflect the name and address of each person holding more than 5 percent of the issue or \$500,000, whichever is smaller, and the amount held by each such person as at December 31. In addition, a description or the type of obligation shall be indicated along with the date of issue.

25. Amend Section 24—Profit and Loss Elements as follows:

A. Revise the titles and reporting instructions to schedules P-1.1 and P-1.2 to read as follows:

Schedule P-1.1—Statement of operations—Group I air carriers

Schedule P-1.2—Statement of operations—Group II and group III air carriers

(a) Schedule P-1.1 shall be filed by each Group I route air carrier and schedule P-1.2 shall be filed by each Group II air carrier and each Group III air carrier.

(b) Separate statements of operation shall be filed for each separate operating entity of the air carrier and for the over-

all, or system, operations of the air carrier.

(c) Data reported on this schedule shall conform with the instructions pertaining to profit and loss classifications within this Uniform System of Accounts and Reports.

(d) Data reported in the "12-Months-to-Date" column shall represent for each individual item the sum of amounts reported in the "Quarter" column for the current and next previous three quarters.

(e) Earnings per share data need only be filed on an annual basis.

(f) This schedule has been designed to facilitate the presentation of comparative data for prior periods when used in submissions to the Securities and Exchange Commission. (See section 22(k).)

B. Revise the reporting instructions to Schedule P-2—Notes to Income Statement by changing the title and instructions to read:

Schedule P-2—Notes to form 41 report

(a) This schedule shall be filed quarterly by all route air carriers.

(b) Separate sets of this schedule shall be filed for each separate operating entity and for the overall or system operations of the air carrier.

(c) All substantive matters which may influence materially interpretations or conclusions in regard to the financial condition or the earnings position of the air carrier which are not clearly identified in the body of the Form 41 report shall be completely and clearly stated in this schedule and cross-referenced to the affected account or accounts.

(d) The amounts and estimated delivery dates of any purchase commitments of material size and not of a recurrent routine character shall be explained on this schedule. In the case of commitments involving flight equipment, the amount for each equipment type may be given in total, including any engines, airframes and spares; but the number of airframes and the number of engines by type shall be given, as well as the estimated delivery date for each complete aircraft. Reports on commitments other than for flight equipment are required only in the December 31 report of each calendar year.

(e) This schedule shall reflect at the end of each calendar quarter the amount reported in balance sheet account 1550 Special Funds representing funds segregated, or on deposit with manufacturers, for the purchase of equipment, including any capitalized interest thereon. (See section 2-10 Capitalization of Interest.)

(f) The conversion from the cost method to the equity method of carrying investments in investor controlled companies shall be explained on this schedule. Any change in the basis of accounting for investments in investor controlled companies and other associated companies, (e.g., change from associated to investor controlled company or vice versa) shall be noted here and reported as required by section 22(d).

(g) Each air carrier shall include on this schedule a description of each inter-

ruption in air transport operations, the aggregate effect of which is ten (10) percent or more of the scheduled revenue plane-miles which, except for the interruption, would have been operated during the month or either of two consecutive months affected. The information to be reported for each such interruption in operations shall consist of: (1) For the report period in which partial or complete interruption first occurs, the nature of the interruption and dates of partial and/or complete cessation of operations, as applicable; (2) for each report period until full resumption of operations, an estimate of the revenue plane-miles canceled in each month of the quarter because of the interruption; and (3) for the report period in which scheduled operations are resumed, dates of partial and/or complete resumption, as applicable.

(h) Each air carrier having currently effective deferred air freight tariffs on file with the Board shall report information with respect thereto covering the current quarter as follows: (1) Number of shipments enplaned; (2) weight of shipments enplaned (tons to one decimal place); (3) ton-miles carried (000); and (4) revenues earned.

(i) Dividends declared in the current period on stocks of investor controlled companies shall be noted on this schedule.

(j) Revenue from airline employees, officers and directors, or other persons, except for ministers of religion, who are traveling under reduced-rate transportation authorized by section 403(b) of the Federal Aviation Act and Part 223 of the Board's Economic Regulations as well as travel agents, cargo agents and tour conductors traveling at reduced fares (included in Account 4898 on Schedule P-1.1 or P-1.2) and related non-revenue passenger miles (included in item K160 on Schedule T-1(a)) shall be reported in this schedule on a quarterly basis.

(k) Disclosures presented on Schedule B-2—Notes to Financial Statements filed with the Board for the fourth quarter need not be duplicated on the Schedule P-2 submitted during the same quarter.

C. Revise the reporting instructions of Schedule P-3(a) to read:

Schedule P-3(a)—Income taxes

(a) This schedule shall be filed by all route air carriers.

(b) Separate sets of this schedule shall be filed for each separate operating entity of the air carrier.

D. Add the reporting instructions for new Schedule P-3(b)—Memorandum Allocation of Income Taxes to read:

Schedule P-3(b)—Memorandum allocation of income taxes

(a) This schedule shall be filed by all route air carriers.

(b) Separate sets of this schedule shall be filed for each separate operating entity of the air carrier.

(c) Lines 1 through 16 shall reflect a memorandum allocation of income taxes

and investment tax credits as between operating profit and loss and nonoperating income and expense (net). Before computing the allocation, operating profit and loss (line 1) and nonoperating profit and loss (line 9) shall be adjusted as indicated for the impact of interest expense (lines 2 and 10). Income taxes on operating income and nonoperating income, thus adjusted, shall be allocated on the basis of the proportion of each to the total and entered on lines 4 and 12, respectively. Investment tax credits allocated to the cost of service and amortizations thereof shall be entered on lines 5 and 6 and those not allocated to the cost of service shall be entered on lines 13 and 14.

E. Revise the reporting instructions for Schedule P-4 by changing the title and revising the text to read:

Schedule P-4—Public service revenues and air transport revenues—Other and transport-related revenues and expenses; explanation of extraordinary items and cumulative effect of accounting changes on prior years; explanation of dividends declared

(a) This schedule shall be filed by all route air carriers.

(b) Separate sets of this schedule shall be filed for each separate operating entity of the air carrier.

(c) Transport-related operations shall be reported in this schedule in conform-

ance with instructions in section 9-4800, Transport-Related Revenues and sections 10-7100 and 11-7100 Transport-Related Expenses.

(d) The totals of transport-related gross revenues and gross expenses reported in this schedule shall agree with the corresponding amounts reported for classifications 4800 and 7100 on schedule P-1.

(e) Each extraordinary item shall be fully identified and reported in gross amount in this schedule.

(f) Extraordinary credits to income during the current accounting period shall be identified in positive amounts and any extraordinary debits to income shall be identified by asterisks (*).

(g) Extraordinary items and extraordinary income tax credit and debit items shall be reported separately.

(h) The net of extraordinary items and the net of extraordinary income tax items reported on this schedule shall agree with corresponding amounts reported on schedule P-1.

(i) Prior Period Adjustments and dividends declared shall be fully explained in the bottom section of this schedule. If a dividend is not payable in cash, the values of amounts declared shall be completely described.

26. Amend Section 32—General Reporting Instructions as follows:

A. By revising the list of reporting schedules in paragraph (a) so that the list in pertinent part reads:

Schedule No.	Schedule title	Filing frequency
B-1	Balance sheet	Quarterly.
B-2	Notes to financial statements	Annually.
B-3	Statement of changes in stockholders' equity	Quarterly.
B-7	Airframes and aircraft engines acquired	Do.
B-8	***	***
B-10	Unamortized developmental and preoperating costs	Quarterly.
B-11	Aging of receivables	Monthly.
B-12	Statement of changes in financial position	Quarterly.
B-13	Summary of projected financial commitments and related deposits	Do.
B-46	Long-term and short-term nontrade debt	Do.
B-47	Holders of more than 5 percent or \$500,000, whichever is smaller, of issues of long-term and short-term nontrade debt	Do.
P-1.1	Statement of operations	Quarterly.
P-1.2	do.	Do.
P-2	Notes to CAB form 41 report	Do.
P-3.1	Transport revenues	Do.
P-4	Public service revenues and air transport revenues—other and transport-related revenues and expenses; explanation of extraordinary items and cumulative effect of accounting changes on prior years; explanation of prior period adjustments and dividends declared.	Do.

B. By revising the list of "Due Dates of Schedules in CAB Form 41 Report" in paragraph (a) so that the list in pertinent part reads:

Due Date ¹	Schedule No.
Mar. 20...	P-12, P-12(a).
Mar. 30...	A-2, B-11, B-41, B-43, B-44, B-46, B-47, G-41, G-42, G-43, G-44, T-3.1.
Apr. 20...	P-12, P-12(a).
Apr. 30...	B-11, T-3.1, T-6.
May 10...	A, B-1, B-7, B-8, B-10, B-12, B-13, B-14, P-1.1, P-1.2, P-2, P-3.1, P-4, P-5.1, P-5.2, P-5(a), P-6, P-7, P-11(a), P-11(b).
May 20...	P-12, P-12(a).
May 30...	B-11, T-3.1.
June 20...	P-12, P-12(a).
June 30...	B-11, T-3.1.
July 20...	P-12, P-12(a).
July 30...	B-11, T-3.1, T-6.

Due Date ²	Schedule No.
Jan. 20...	P-12, P-12(a).
Jan. 30...	B-11, T-3.1, T-6.
Feb. 10 ² ...	A, B-1, B-2, B-7, B-8, B-10, B-12, B-13, B-14, P-1.1, P-1.2, P-2, P-3.1, P-4, P-5.1, P-5.2, P-5(a), P-6, P-7, P-11(a), P-11(b).
Feb. 20...	P-12, P-12(a).
Mar. 1....	B-11, T-3.1.

Due Date ¹	Schedule No.
Aug. 10---	A, A-1, B-1, B-7, B-8, B-10, B-12, B-13, B-14, P-1.1, P-1.2, P-2, P-3.1, P-4, P-5.1, P-5.2, P-5(a), P-6, P-7, P-11(a), P-11(b).
Aug. 20---	P-12, P-12(a).
Aug. 30---	B-11, T-3.1.
Sept. 20---	P-12, P-12(a).
Sept. 30---	B-11, T-3.1.
Oct. 20---	P-12, P-12(a).
Oct. 30---	B-11, T-3.1, T-6.
Nov. 10---	A, B-1, B-7, B-8, B-10, B-12, B-13, B-14, P-1.1, P-1.2, P-2, P-3.1, P-4, P-5.1, P-5.2, P-5(a), P-6, P-7, P-11(a), P-11(b).
Nov. 20---	P-12, P-12(a).
Nov. 30---	B-11, T-3.1.
Dec. 20---	P-12, P-12(a).
Dec. 30---	B-11, T-3.1.

¹ Due dates falling on a Saturday, Sunday or national holiday will become effective the first following working day.

² B and P reporting dates are extended to Mar. 30, if preliminary schedules are filed at the Board by Feb. 10.

C. Revise paragraph (i) and add a new paragraph (k) to read:

(i) All changes in accounting methods having a material impact upon the particular financial elements involved and all changes in methods of computing and reporting traffic and capacity statistics having a material impact upon the particular statistics involved shall be adequately explained and identified in the report first reflecting such changes. Such explanations related to financial position or financial results shall be made on Schedule P-2 "Notes to CAB Form 41 Report." Changes in methods for computing or reporting traffic and capacity statistics shall be identified and explained on a separate sheet attached to the first report affected. (See sec. 2-16). The reporting requirements shall not be construed, in any sense, as relieving the supplemental air carrier of the responsibility for conforming its procedures to those otherwise prescribed in this system of accounts and reports.

(k) Schedules B-1, B-2, B-3, B-10, B-12, B-46, P-1.1, and P-1.2 have been designed to permit submission to the Securities and Exchange Commission (SEC) in lieu of certain requirements of SEC Form 10-K Item 10 for parent company air carriers accounting for subsidiaries using the equity method and other air carriers filing unconsolidated reports. In addition, schedules B-1, P-1.1, and P-1.2 have been designed to satisfy SEC Form 10-Q requirements.

27. Amend Section 33—Certification and Balance Sheet Elements as follows:

A. Revise paragraph (c) and add a new paragraph (d) to the reporting instructions for Schedule B-1 Balance Sheet to read:

(c) Individual proprietors or partners shall report the aggregate capital contributed by the proprietor or partners in account 2890 Additional Capital Invested.

(d) This schedule has been designed to facilitate the presentation of com-

parative data for prior periods when used in submissions to the Securities and Exchange Commission. (See section 22(k).)

B. Revise the title and reporting instructions for schedule B-2.1 to read: *Schedule B-2—General notes to financial statements.*

(a) This schedule shall be filed annually by all supplemental air carriers.

(b) Footnotes included on this schedule shall conform with the requirements of the Securities and Exchange Commission Regulation S-X Article 3 Rules of General Application Rule 3-16 General notes to financial statements.

(c) In cases where identical footnotes are submitted to the Securities and Exchange Commission (SEC) in their entirety, a photocopy of the footnotes submitted to SEC can be submitted in lieu of schedule B-2.

C. By adding the title and reporting instructions for schedule B-3 to read:

Schedule B-3—Statement of changes in stockholder's equity

(a) This schedule shall be filed by all supplemental air carriers.

(b) Amounts reported as balance at end of period for each account shall agree with corresponding amounts reported on Schedule B-1 "Balance Sheet."

(c) Individual proprietors or partners shall reflect the name of the proprietor or each partner at the head of the columns captioned "Class of Stock" and the balance of contributions to the business entity by the proprietor or each partner shall be reflected in these columns. The total contributions by all partners shall be reflected in the column captioned "Additional Capital Invested—Account 2890."

(d) This schedule has been designed to facilitate the presentation of comparative data for prior periods when used in submissions to the Securities and Exchange Commission. (See section 22(k).)

D. Revise paragraph (i) of the reporting instructions for schedule B-7 to read:

(i) Columns 12 and 15, "Allowance for Depreciation" and "Flight Equipment Airworthiness Allowance," respectively, shall include the amount of such allowance applicable to property and equipment transferred from nontransport divisions.

E. Revise paragraphs (f) and (g) of the reporting instructions for schedule B-8 to read:

(f) Column 10, "Realization" shall reflect the proceeds from disposition.

(g) Column 13, "Disposition," shall reflect the name of the person or organization to which airframes and aircraft engines are sold or a notation as to the nature of the retirement and the account to which any depreciated cost has been charged if not sold. Items included in accounts 1607, 1608, 1707, and 1708, sold as part of an airframe or aircraft engine sales transaction, shall also be identified by the name of the buyer. Other sales of items included in these accounts shall be reported in a separate group in aggregate for each property account af-

fected, while all ground property dispositions shall be reported in a single aggregate and need not be identified by names of the buyers.

F. Revise the title and paragraphs (d) and (e) of the reporting instructions for schedule B-10 to read:

Schedule B-10—Unamortized developmental and preoperating costs

(d) Column 7, "Unamortized Balance—End of Period" shall in total agree, when aggregated for the air carrier as a whole, with the corresponding balance of account 1830 shown in schedule B-1—Balance Sheet.

(e) This schedule has been designed to facilitate the presentation of comparative data for prior periods when used in submissions to the Securities and Exchange Commission. (See section 22(k).)

G. Revise the title and paragraph (b) and add a new paragraph (d) of the reporting instructions for schedule B-12 to read:

Schedule B-12—Statement of changes in financial position

(b) In determining funds from operations, net income as reported in item 9899 on Schedule P-1.1 or Schedule P-1.2 shall be increased by the indicated nonfund charges and shall be decreased by nonfund credits such as gains on property retirements and undistributed earnings of subsidiaries. The nonfund credits shall be included net on line 6 "Other nonfund items." If the amount reported on line 6, line 12, or line 18 exceeds 5 percent of the total sources or applications, a footnote shall be added to this schedule disclosing the component amounts.

(d) This schedule has been designed to facilitate the presentation of comparative data for prior periods when used in submissions to the Securities and Exchange Commission. (See section 22(k).)

H. Revise paragraphs (e), (f), (i), and (j) of the reporting instructions for schedule B-43 to read:

(e) Column 9, "Allowance for Depreciation" shall include the accumulations of all provisions for losses due to use and obsolescence as recorded in balance sheet account 1669 Allowance for Depreciation.

(f) Column 10, "Depreciated Cost" shall reflect Cost (column 8) less Allowance for Depreciation (column 9).

(i) Column 13, "Flight Equipment Airworthiness Allowances or Maintenance Liability" shall include amounts accumulated for owned airframes and aircraft engines in account 1629 Flight Equipment Airworthiness Allowances and amounts accumulated for leased airframes and aircraft engines in accounts 2190 Other Current Liabilities and 2290 Other Noncurrent Liabilities.

(j) Totals for owned operating equipment shall agree with property and equipment accounts 1601 Airframes; 1611 Allowance for Depreciation—Airframes; 1602 Aircraft Engines; 1612 Allowance for Depreciation—Aircraft Engines; and

1629 Flight Equipment Airworthiness Allowance. The airworthiness liabilities for rented equipment included in accounts 2190 Other Current Liabilities and 2290 Other Noncurrent Liabilities shall be shown in column 13.

I. Revise paragraphs (l) and (m) of the reporting instructions for schedule B-44 to read:

(l) Column 8 shall reflect the net of any current year adjustments with each company listed in column 1 which pertain to settlements of prior years and which are recorded in asset accounts 1200, 1250, 1510, 1520, or 1890; or liability accounts, 2025, 2240, and/or 2290.

(m) Column 9 shall reflect, for each company or other organization, reflected in column 1, the aggregate of the settlements established which should equal the sum of amounts shown in columns 4 and 5 adjusted by the net of amounts shown in columns 6, 7, and 8. The amounts in this column shall conform with the balance of accruals for the year, before liquidation, to accounts 2025, 2240, and/or 2290 with respect to resource acquisitions, and accounts 1200, 1250, 1510, 1520, or 1890 with respect to resource dispositions, for each company or other organization, reflected in column 1.

J. Revise reporting instructions for schedule B-46 to read in its entirety as follows:

Schedule B-46—Long-term and short-term non-trade debt

(a) This schedule shall be filed by all supplemental air carriers and all persons controlling a supplemental air carrier, and shall reflect information pertaining to each issue of long-term debt and short-term debt (other than trade liabilities) of the air carrier, or the person controlling the air carrier, as applicable, in excess of 5 percent of their respective total outstanding debt.

(b) Single but separate sets of this schedule shall be filed for the overall corporate or other legal entity comprising the air carrier, or the person controlling the air carrier, as the case may be.

(c) When this schedule is filed by a "Controlling Person," the name of such person shall be entered in the space provided for the name of the reporting air carrier with the designation "Controlling Person" indicated parenthetically.

(d) Column 1 shall reflect a description of each particular issue of debt, such as "Sinking Fund Debentures," "Bank Notes," "Credit Agreement," etc. This column shall also reflect for each issue a brief description of the terms of payment and, where applicable, conversion privileges, including conversion periods, rates of conversion and the securities into which convertible.

(e) Columns 2, 3, and 4 shall reflect the date of issue, date of maturity, and the interest rate per annum, respectively.

(f) Column 5 shall reflect the amount of bonds or other evidences of debt originally issued, as distinguished from the amount authorized.

(g) Column 6 shall reflect the face value or principal amount of debt securities

issued or assumed which has not been retired or cancelled, and are not payable within one year of the reporting date.

(h) Column 7 shall reflect the balance of the premium or discount applicable to any debt described in column 1 which represents a long-term maturity obligation at December 31.

(i) Column 8 shall reflect the face value of all notes, drafts, acceptances, or other similar evidences of indebtedness payable on demand or within one year, including the portion of long-term debt due within one year of the reporting date.

(j) For supplemental air carriers, the totals in columns 6 and 8 shall reflect the balance outstanding as at the end of the reporting period in account 2210 Long-Term Debt and the sum of accounts 2000 Current Maturities of Long-Term Debt, 2010 Notes Payable—Banks, and 2015 Notes Payable—Other, on Schedule B-1, respectively.

K. Add reporting instructions for new Schedule B-47—Holders of More Than 5% or \$500,000, whichever is smaller, of issues of long-term and short-term non-trade debt to read as follows:

Schedule B-47—Holders of more than 5% or \$500,000, whichever is smaller, of issues of long-term and short-term non-trade debt

(a) This schedule shall be filed by all supplemental air carriers.

(b) This schedule shall reflect the name and address of each person holding more than 5 percent of the issue or \$500,000, whichever is smaller, and the amount held by each such person as at December 31. In addition, a description or the type of obligation shall be indicated along with the date of issue.

28. Amend Section 34—Profit and Loss Elements as follows:

A. Revise the reporting instructions to Schedules P-1.1 and P-1.2 to read as follows:

Schedule P-1.1—Statement of operations—Group I air carriers

Schedule P-1.2—Statement of operations—Group II and Group III air carriers

(a) Schedule P-1.1 shall be filed by each Group I supplemental air carrier and schedule P-1.2 shall be filed by each Group II supplemental air carrier.

(b) Data shall be reported only in the column headed "Quarter." Cumulative "12 Months to Date" information is not required from supplemental air carriers but is acceptable if the report is used for submission to the Securities and Exchange Commission as explained in section 32(k). The caption "operation" is not applicable to supplemental air carriers.

(c) Data reported on this schedule shall conform with the instructions pertaining to profit and loss classifications within this Uniform System of Accounts and Reports.

(d) Data reported in the "12 Months to Date" column shall represent for each

individual item the sum of amounts reported in the "Quarter" column for the current and next previous three quarters.

(e) Earnings per share data need only be filed on an annual basis when "12 Months to Date" information is presented.

(f) This schedule has been designed to facilitate the presentation of comparative data for prior periods when used in submissions to the Securities and Exchange Commission. (See section 22(k).)

B. Revise the reporting instructions to Schedule P-2—Notes to Income Statement by changing the title and instructions to read:

Schedule P-2—Notes to Form 41 Reports

(a) This schedule shall be filed quarterly by all supplemental air carriers.

(b) All substantive matters which may influence materially interpretations or conclusions in regard to the financial condition or the earnings position of the air carrier which are not clearly identified in the body of the Form 41 report shall be completely and clearly stated in this schedule and cross-referenced to the affected account or accounts.

(c) The amounts and estimated delivery dates of any purchase commitments of material size and not of a recurrent routine character shall be explained on this schedule. In the case of commitments involving flight equipment, the amount for each equipment type may be given in total, including any engines, airframes and spares; but the number of airframes and the number of engines by type shall be given, as well as the estimated delivery date for each complete aircraft. Reports on commitments other than for flight equipment are required only in the December 31 report of each calendar year.

(d) The conversion from the cost method to the equity method of carrying investments in investor controlled companies shall be explained on this schedule. Any change in the basis of accounting for investments in investor controlled companies and other associated companies (e.g., change from associated to investor controlled company or vice versa) shall be noted here and reported as required by section 32(d).

(e) Amounts of adjustments resulting from the physical verification of passenger revenue accounting practices required by section 2-17 shall be reported herein for the quarter in which the adjustment takes place.

(f) Balances in subaccounts 89.2 and 89.3 of profit and loss account 8100 as reported on the P-1 schedules, together with dividends declared in the current period on the stocks of investor controlled companies, shall be noted on this schedule.

(g) Disclosure presented on Schedule B-2—Notes to Financial Statements filed with the Board for the fourth quarter need not be duplicated on schedule P-2 submitted during the same quarter.

C. Revise the reporting instructions for schedule P-4 by changing the title and revising the text to read:

Schedule P-4—Public service revenues and air transport revenues—other and transport-related revenues and expenses; Explanation of extraordinary items and cumulative effect of accounting changes on prior years; Explanation of dividends declared

(a) This schedule shall be filed by all Group II supplemental air carriers.

(b) Transport-related operations shall be reported in this schedule in conformance with instructions in section 9-4800, Transport-Related Revenues, and sections 10-7100 and 11-7100 Transport-Related Expenses.

(c) The totals of transport-related gross revenues and gross expenses reported in this schedule shall agree with the corresponding amounts reported for classifications 4800 and 7100 on schedule P-1.

(d) Each extraordinary item shall be fully identified and reported in gross amount in this schedule.

(e) Extraordinary credits to income during the current accounting period shall be identified in positive amounts and any extraordinary debits to income shall be identified by asterisks (*).

(f) Extraordinary items and extraordinary income tax credit and debit items shall be reported separately.

(g) The net of extraordinary items and the net of extraordinary income tax items reported on this schedule shall agree with corresponding amounts reported on schedule P-1.

(h) Prior period adjustments and dividends declared shall be fully explained in the bottom section of this schedule. If a dividend is not payable in cash, the values of amounts declared shall be completely described.

29. Amend CAB Form 41 schedules to reflect the foregoing changes in accounting, as shown in the exhibits attached hereto and made a part hereof as follows:

Schedule No.:	Exhibit
B-1	A
B-2	B
B-3	C
B-4(a)	D
B-4(b)	E
B-5	F
B-6	G
B-7	H
B-7(b)	I
B-8	J
B-10	K
B-11	L
B-12	M
B-43	N
B-46	O
B-47	P
P-1.1	Q
P-1.2	R
P-1(a)	S
P-2	T
P-2(a)	U
P-3	V
P-3(a)	W
P-3(b)	X
P-4	Y
P-5.1	Z
P-5.2	AA
P-6	BB
P-7	CC
P-8	DD

(Sections 204(a) and 407 of the Federal Aviation Act of 1958, as amended, 72 Stat. 743 and 766; 49 U.S.C. 1324, 1377.)

By the Civil Aeronautics Board:

PHYLLIS T. KAYLOR,
Secretary.

EXHIBIT A

SECURITIES AND EXCHANGE COMMISSION

September 1, 1976.

CIVIL AERONAUTICS BOARD,
Washington, D.C.

GENTLEMEN: This letter will serve to indicate that the Securities and Exchange Commission will accept the proposed CAB Form 41 reports to be filed by certified air carriers with the Civil Aeronautics Board is satisfaction of the financial statement requirements of Form 10-K and Form 10-Q, when the proposed CAB Form 41 reports comply with the requirements for financial statements set forth in Form 10-K, Form 10-Q and Regulation S-X. We understand that, because of your efforts to establish a SEC/CAB singular reporting system, the proposed CAB Form 41 reports now meet the requirements for financial statements to be included in Form 10-K and Form 10-Q filings and that you plan to maintain on a current basis the CAB's Uniform System of Accounts and Reports to comply with generally accepted accounting principles and the disclosure requirements of the SEC.

You have informed us that the proposed singular reporting system is to be used by all certified air carriers in reporting to the CAB. The air carriers will not be required to submit these forms to the SEC; however, those air carriers with air transport operations only or air carriers with nonconsolidated subsidiaries engaged in operations other than air transport may meet their SEC annual and quarterly financial statement filing obligations with the CAB Form 41 reports, if the proposed singular reporting system is adopted and maintained to meet SEC requirements.

Sincerely,

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-30626 Filed 10-19-76;8:45 am]

CONSUMER PRODUCT SAFETY COMMISSION

[16 CFR Parts 1500, 1511]

HAZARDOUS PACIFIERS BAN

Revised Proposal

In this document the Consumer Product Safety Commission proposes for public comment a regulation (16 CFR Part 1511) prescribing safety requirements for pacifiers and a regulation (16 CFR 1500.18(a)(8)) banning from interstate commerce pacifiers not meeting such safety requirements. These actions are taken under the Federal Hazardous Substances Act.

BACKGROUND

Section 2(f)(1)(D) of the Federal Hazardous Substances Act (15 U.S.C. 1261(f)(1)(D)) provides for the classification of any toy or other article intended for use by children as a hazardous substance upon a determination by regulation, in accordance with section 3(e)(1) of the act (15 U.S.C. 1262(e)(1)), that it presents a mechanical hazard.

Section 2(q)(1)(A) provides that such a toy or article is also banned hazardous substance. "Mechanical hazard" is defined by section 2(s) of the act and other banned toys and banned children's article are listed in 16 CFR 1500.18.

In the FEDERAL REGISTER of October 18, 1972 (37 FR 22000), the Commissioner of the Food and Drug Administration (FDA) proposed 21 CFR 191.9a(a)(8), a regulation banning pacifiers not designed and constructed in accordance therewith, and proposed 21 CFR 191.18, a regulation prescribing a method for determining the durability of pacifiers.

Effective May 14, 1973, functions of the FDA under the Federal Hazardous Substances Act were transferred to the Consumer Product Safety Commission by section 30(a) of the Consumer Product Safety Act (15 U.S.C. 2079(a)).

Subsequently, on September 27, 1973 the Consumer Product Safety Commission revised and transferred the regulations under the Federal Hazardous Substances Act from Title 21 of the CFR to Title 16 of the CFR (38 FR 27012). Accordingly, this revised proposal involves 16 CFR Parts 1500 and 1511 instead of 21 CFR Part 191.

DEMONSTRATION OF NEED

The need for banning hazardous pacifiers has been preliminarily demonstrated to the Commission by investigations, studies, staff analyses, and NEISS (National Electronic Injury Surveillance System) data showing that pacifiers are, or can be, a contributing factor in the serious injury and death of children.

In-depth investigations of pacifier accidents reported in the NEISS system, conducted from 1970 through 1975 by the Commission staff, show that there were at least eight deaths during this period. One victim died when the pacifier stimulated vomiting causing strangulation on the victim's vomitus, and another died when an adult gave the child a disassembled pacifier which lodged in his throat causing suffocation. In addition six victims died when they were strangled by the ribbon or string used to secure the pacifiers around their necks. Other NEISS in-depth investigations revealed that one victim suffered lacerations of the mouth from a pacifier, and two others choked on pacifiers which came apart. Another victim swallowed a pacifier but was saved when pounding on her back dislodged it, and she swallowed it and later passed it.

In February 1976, a five month old boy died when a flexible pacifier shield was lodged in his throat and could not be removed prior to his being asphyxiated. The Commission staff has also investigated this incident.

After consideration of the injury data and death reports, the Commission preliminarily finds that pacifiers and their components present an unreasonable risk of personal injury or illness to children from aspiration, ingestion and strangulation because of their design and manufacture and therefore present a mechanical hazard.

PROPOSAL

The original proposal would have required, in general terms, that all pacifiers and similar articles:

- (1) have a flexible guard (or shield) at least 43 mm in diameter or an inflexible guard (or shield) at least 38 mm in diameter;
- (2) have a hinged or collapsible handle or ring;
- (3) contain no object or substance that is non-sterile or could be aspirated or ingested during normal use or when subjected to reasonably foreseeable damage or abuse;
- (4) do not break into pieces smaller than the dimensions in (1), above, when tested according to specified methods for determining durability [these test methods involve pulling on the handle and nipple with a force of 10 pounds applied in various directions (load tests) and boiling the pacifiers for 10 cycles];
- (5) do not consist in whole or in part of any food; and
- (6) be otherwise designed and constructed to prevent the possibility of injury or illness by ingestion, aspiration, or laceration.

RESPONSE TO PROPOSAL

Comments were received from industry and consumers in response to the original FDA proposal of October 18, 1972. A total of eleven comments were received: six from manufacturers, one from a trade association, three from consumers, and one from a consumer association. The significant issues raised by the comments and the Commission's conclusions thereon are as follows:

1. The definition of "pacifier or other similar article" is vague and unclear, and should be limited to items with a nipple, shield and handle. The definitions of "flexible" and "inflexible" are also vague and unclear. The Commission has modified the definition of pacifier and the terms "flexible" and "inflexible" are no longer used in the regulation.
2. Other commenters urged that the boiling test criteria be reduced to allow pacifiers to cool to room temperature instead of 100° F and that the boiling time be reduced from 10 minutes to three minutes because three minutes is the usual time used by a consumer to sterilize a pacifier. The Commission has modified the regulation so that the pacifiers are cooled in room temperature and the boiling time is 5 minutes for each cycle.
3. Other comments suggested a possible exemption for certain "food-filled" pacifiers, alternative sterilizing methods to boiling, and a "lead time" of at least 180 days that would allow for production changes.

The regulation no longer contains a prohibition on "food-filled" pacifiers because there is insufficient data to show that such pacifiers present an unreasonable risk of injury. Sterilization of pacifiers by boiling them in water is not only the most common method of sterilization used by parents but is also considered the most medically acceptable method of sterilization and therefore no additional methods have been included. The comments concerning "lead time" were considered and a period of 180 days is now being proposed for additional comment.

4. One commenter urged that a standard minimum pull of at least 6 pounds but no more than 10 pounds be used to test durability and structural integrity. The Commission considered this comment and decided

that the 10 pound requirement is justified and necessary. As discussed below under "Revised Proposal", this requirement is consistent with the Use and Abuse Testing Procedures.

REVISED PROPOSAL

Having considered the injury and death reports, the original FDA proposal and comments thereon, a report compiled for the Commission by the National Bureau of Standards, and engineering information from the Bureau of Engineering Sciences, the Commission concludes that the original proposal should be withdrawn and that a revised proposal with changes should be withdrawn and that a revised proposal with changes should be published as set forth below.

When defining the scope of this regulation the staff looked at teething rings and found that available hazard information did not show them to present an unreasonable risk of injury. Since they do not have nipples, they are excluded from this regulation by definition.

The staff also considered orthodontic pacifiers and found that they should be covered by the regulation because they potentially present the same risk of injury as regular pacifiers. Orthodontic pacifiers do fall within the regulation's definition of pacifier.

The original proposal used a dimensional design requirement to address the hazard of a pacifier entering a child's mouth and causing death by asphyxiation. "Inflexible" pacifier guards were required to be no smaller than a specified dimension and "flexible" pacifier guards could be no smaller than a slightly larger dimension (to account for possible bending at the edges which would make entry into a child's mouth easier). The intent of the dimensional requirements was that a pacifier with a large enough guard would not enter a baby's mouth.

The repropoed guard or shield requirements (1511.3(a)) address the same hazard of asphyxiation by using a performance approach. A circular opening in a test fixture simulates a baby's mouth. If a pacifier, regardless of whether it is "flexible," or "inflexible", can be drawn through the fixture, it fails the test because of the hazard that it could asphyxiate a baby by entering its mouth.

The size of the opening is based on sample measurements of children's mouths taken by the Maryland State Department of Health and Mental Hygiene. The test force for pulling the pacifier against the test fixture was determined by measurements in the Commission's Bureau of Engineering Sciences Laboratory. It is the force required to extract a pacifier from ten subjects who were sucking on pacifiers (because adult subjects were used, a margin of safety is incorporated into the force requirement obtained).

A ventilation requirement (1511.3(b)) has been added to the guard or shield requirements in the repropoed regulation. It requires the pacifier shield or guard to have at least two holes. These holes are intended to provide an emergency oxygen supply and to provide a

rapid means of removing the pacifier from the child's throat.

The protrusion limitation requirement (1511.4(a)), not included in the original proposal, is designed to address the hazard pattern of a child falling forward or rolling over in a crib. In this situation a long protrusion on a pacifier, most commonly a handle, could drive the pacifier against the child's mouth and force it inside. This presents the same asphyxiation hazard that was discussed above.

Because a pacifier protrusion will sink into a crib mattress, protrusions that are sufficiently short will not present this hazard. In addition, other pacifiers may not present this hazard because their protrusions will bend rather than remain rigid when a force is exerted against them.

The protrusion test (1511.4(b)) involves the measurement of a protrusion while 2 pounds of force are applied to it. In selecting this force, the Commission staff has taken into account the weight of a child's head and the distribution of that weight over different parts of the child's face. The 0.63-inch limitation on the length of a protrusion (when measured according to this test) takes into account the distance that the protrusion will sink into a crib mattress.

The repropoed regulation includes structural integrity requirements (1511.5) in which tests are performed on pacifiers in whole or on various components to determine whether a pacifier can maintain its structural integrity when subject to mechanical and thermal forces and possible degradations which a pacifier is subject to in normal use. The force levels are selected from the Use and Abuse Testing Procedures for tension which are applicable to articles intended for use by children 18 months of age or less (16 CFR 1500.51(f)(3)). The heat cycle deterioration test, modified from those originally proposed, are representative of the common sterilizing techniques used by mothers and institutions.

Should any pacifier release components or fragments when subjected to the structural integrity tests, such components or fragments shall be subject to the small parts test which will determine whether they could be lodged in a child's throat and cause suffocation. The dimensions involved in the small parts test are based on present medical advice obtained by the Commission's Office of the Medical Director. These dimensions were used in the designing of the truncated cylinder (Fig. 2) which is incorporated into the test.

Two new sections have been added to address the strangulation hazard that results from tying a pacifier around a child's neck with ribbons or strings. A required warning label (1511.7) would alert to this hazard parents and others who take care of children. A prohibition against selling pacifiers with ribbons, cords, strings, etc. (1511.6) would also address this strangulation hazard.

Accordingly, pursuant to provisions of the Federal Hazardous Substances Act (secs. 2(f)(1)(D), (q)(1)(A), (s), 3(e))

(1), 74 Stat. 372, 374, 375, as amended 80 Stat. 1304-05, 83 Stat. 187-89; 15 U.S.C. 1261, 1262) and under authority vested in the Commission by the Consumer Product Safety Act (sec. 30(a); 86 Stat. 1231; 15 U.S.C. 2079(a)), the Commission proposes to amend Title 16, Chapter II, Subchapter C, by adding a new § 1500.18(a) (8) and a new Part 1511 as follows:

§ 1500.18 Banned toys and other banned articles intended for use by children.

(a) *Toys and other children's articles presenting mechanical hazards.* Under the authority of section 2(f)(1)(D) of the act and pursuant to provisions of section 3(e) of the act, the Commission has determined that the following types of toys or other articles intended for use by children present a mechanical hazard within the meaning of section 2(s) of the act because in normal use, or when subjected to reasonably foreseeable damage or abuse, the design or manufacture presents an unreasonable risk of personal injury or illness:

(8) Any pacifier that does not meet the requirements of 16 CFR Part 1511 and that is introduced into interstate commerce after 180 days following the date of publication in the *FEDERAL REGISTER* of the final form of this regulation.

PART 1511—REQUIREMENTS FOR PACIFIERS

Sec.	
1511.1	Scope of Part 1511.
1511.2	Definitions.
1511.3	Guard or shield performance requirements.
1511.4	Protrusions.
1511.5	Structural integrity tests.
1511.6	Ribbons, strings, cords, etc.
1511.7	Labeling.

AUTHORITY: Secs. 2(f)(1)(D), (q)(1)(A), (s), 3(e)(1), 74 Stat. 372, 374, 375, as amended 80 Stat. 1304-05, 83 Stat. 187-89; 15 U.S.C. 1261, 1262.

§ 1511.1—Scope of Part 1511.

This Part 1511 sets forth the requirements whereby pacifiers (as defined in § 1511.2(a)) are not banned articles under § 1500.18(a) (8) of this chapter.

§ 1511.2 Definitions.

(a) A "pacifier" is an article consisting of a nipple that is intended for a young child to suck upon, and usually includes a guard or shield and a handle or ring.

(b) "Guard or shield" means the structure located at the base of the nipple used to prevent the pacifier from being completely drawn into the child's mouth.

(c) "Handle or ring" means the structure usually located adjacent to the

guard or shield used for holding or grasping the pacifier. A hinged handle or ring is one that is free to pivot about an axis parallel to the plane of the shield or guard.

§ 1511.3 Guard or shield performance requirements.

(a) Place the pacifier in the fixture illustrated in Figure 1(a) of this part so that the nipple of the pacifier protrudes through the back of the fixture as shown in Figure 1(b). Apply a tensile force of 2.0 pounds (8.9 newtons) to the end of the pacifier nipple in the direction shown. The force shall be gradually applied within a period of 5 seconds and maintained for an additional 10 seconds. The placement of the pacifier in the fixture shall be in the most adverse orientation, i.e., that which will result in the lowest force to cause the pacifier to be drawn through the aperture in the fixture. Any pacifier which can be completely drawn through the fixture by such a force shall fail the test in this section.

(b) *Ventilation holes.* The pacifier shield or guard shall contain at least two holes symmetrically located and each being at least 0.20 inches (5 millimeters) in minor dimension. The edge of any hole shall be no closer than 0.20 inches (5 millimeters) to the perimeter of the pacifier shield or guard.

§ 1511.4 Protrusions.

(a) *Protrusion limitation.* No protrusion from the face of the guard or shield opposite from the nipple shall exceed 0.63 inches (16 millimeters) when measured in accordance with the procedure specified in paragraph (b) of this section.

(b) *Protrusion test.* Secure the pacifier by clamping the nipple with its axis horizontal. For pacifiers with hinged handles or rings the orientation of the hinge axis shall be horizontal. A plane surface shall be gradually applied to any protrusion from the guard shield with a force of 2 pounds (8.9 newtons) applied in a direction along the axis of the nipple. The normal of the plane surface shall be maintained parallel to the axis of the nipple. Measure the greatest distance from the plane surface to the guard or shield.

§ 1511.5 Structural integrity tests.

(a) *Nipple.* Hold the pacifier by the shield or guard, grasp the nipple end of the pacifier and gradually apply a tensile force of 10 pounds (44.5 newtons) to the nipple in any possible direction within a period of five seconds and maintain this load for an additional ten seconds.

(b) *Handle or ring.* Hold the pacifier by the shield or guard or base of the nipple, and push or pull on the handle or ring in any possible direction. The force applied shall be gradually increased to 10

pounds (44.5 newtons) within five seconds and maintained for ten seconds.

(c) *Heat cycle deterioration.* All pacifiers shall be subject to the following tests: Submerge the pacifier in boiling water for five minutes and then remove the pacifier and allow it to cool for five minutes in room temperature air, 68° to 78°F (20° to 25° C). After the cooling period, resubmerge the pacifier in the boiling water for five minutes. The process shall be repeated for a total of six boiling/cooling cycles. After the sixth cycle, the pacifier shall again be subjected to the structural tests in paragraphs (a) and (b) of this section and § 1511.3.

(d) *Small parts.* Any components or fragments which are released as a result of the tests specified in paragraphs (a), (b) and (c) shall be placed in the truncated cylinder as shown in Figure 2, such that the component or fragment is in the lowest position in the cylinder. If the uppermost edge of the component or fragment is below the plane of the top of the cylinder, the pacifier shall fail the test in this section.

§ 1511.6 Ribbons, strings, cords, etc.

A pacifier shall not be sold or distributed with any ribbon, string, cord or other means of attachment which could fit around a child's neck.

§ 1511.7 Labeling.

(a) As required by paragraphs (b) and (c) below, pacifiers shall be labeled with the statement: "WARNING: STRANGULATION DANGER—DO NOT TIE PACIFIER AROUND CHILD'S NECK WITH RIBBON OR STRING."

(b) The labeling statement required by paragraph (a) of this section shall appear legibly and conspicuously on any retail display carton containing two or more pacifiers.

(c) Each individually packaged pacifier shall bear the labeling statement required in paragraph (a) of this section on the package legibly and conspicuously.

Interested persons are invited to submit, on or before November 19, 1976, written comments regarding this proposal. Comments and any accompanying data or material should be submitted, preferably in five copies, addressed to the Secretary, Consumer Product Safety Commission, Washington, D.C. 20207. Comments may be accompanied by a memorandum or brief in support thereof. Received comments may be seen in the Office of the Secretary, Washington, D.C., during working hours Monday through Friday.

Dated: October 14, 1976.

SADYE E. DUNN,
Secretary, Consumer Product
Safety Commission.

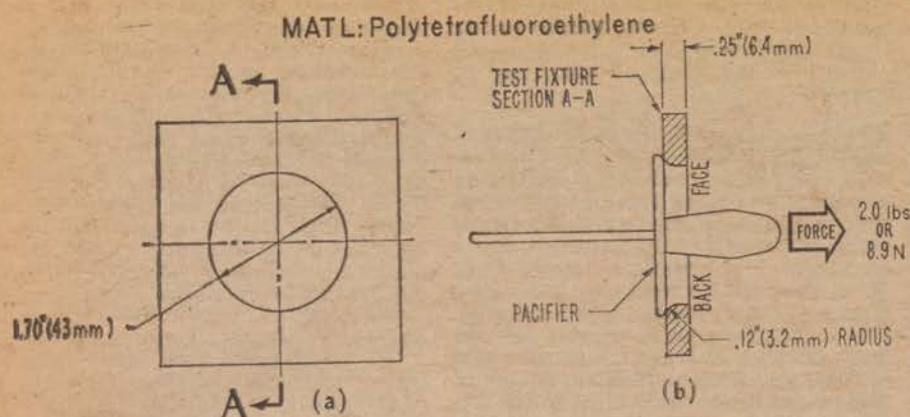
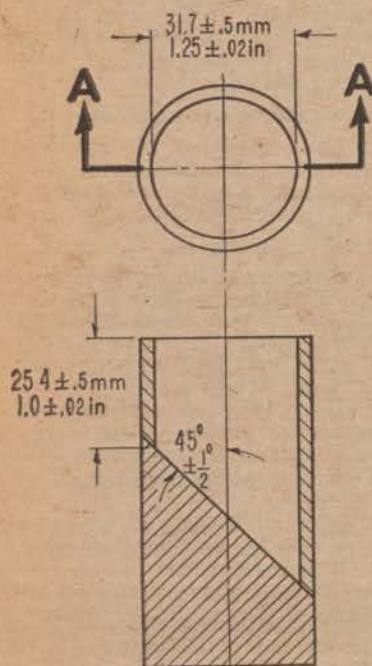


FIG 1-PACIFIER TEST FIXTURE



Section A-A

FIG 2-SMALL PARTS GAGE

[FR Doc.76-30838 Filed 10-19-76;8:45 am]

FEDERAL COMMUNICATIONS
COMMISSION

[47 CFR Part 73]

[Docket No. 20954; RM-2684]

TABLE OF ASSIGNMENTS, FM BROADCAST STATIONS; CROZET, VIRGINIA

Notice of Proposed Rule Making

Adopted: October 5, 1976.

Released: October 19, 1976.

1. Petitioner, proposal and comments.

(a) The Commission has under consideration both a petition filed on Janu-

ary 23, 1976, and an amendment¹ to the petition filed on April 29, 1976, by Lee Garlock. The petition seeks to amend the FM Table of Assignments by the assignment of Class B Channel 259 to Crozet, Virginia, as its first FM assignment.

(b) This channel may be assigned without affecting any existing FM assignments.

(c) An Opposition to the proposal was timely filed on June 14, 1976, by Clay Realty Company, licensee of Stations WCHV(AM) and WCCV-FM, Charlottesville, Virginia. Subsequently, a Reply was timely submitted on June 28, 1976, by the petitioner. These documents will be considered below.

2. Demographic Data.

(a) **Location:** Crozet is located approximately 177 kilometers (110 miles) southwest of Washington, D.C., and 16 kilometers (10 miles) west of Charlottesville, Virginia.

(b) **Population:** (1970 U.S. Census) — Crozet, 1,433; Albemarle County, 37,800.

(c) **Local aural services:** Crozet's local aural service consists solely of daytime-only AM Station WPED (Class II-D).

(d) **Economic Conditions:** Crozet is an unincorporated area having several large industrial plants which employ in excess of 2,000 persons. Petitioner alleges that Crozet is both a growing community and the business center for the western portion of Albemarle County. Petitioner points out that, according to the Albemarle County Planning Commission, the county had an annual growth rate in population of 5% from 1960 to 1970, compared to a 1.3% growth rate for the United States and a 1.8% growth rate for the Commonwealth of Virginia. Petitioner states that Crozet is the site for a new

¹ The petitioner filed the amendment to its petition in response to a letter of March 30, 1976, from the Broadcast Bureau, requesting the petitioner to submit a *Roanoke-Rapids* study and evidence of consent by the National Radio Astronomy Observatory and the Naval Radio Research Observatory to the proposed assignment due to the fact that Crozet is located in a "radio quiet zone." Public Notice of the filing of the petition and the amendment was subsequently issued on May 14, 1976 (Report No. 981), Mimeo No. 64895).

high school which will serve western Albemarle County and will be the second major high school for Albemarle County. Petitioner also states that the recent grant of funds for the construction of a sewer interceptor line to Crozet from Charlottesville will result in new development and construction in Crozet.

3. **Preclusion Considerations:** If Class B Channel 259 is assigned to Crozet, small areas of preclusion would occur on Channels 257A and 259, including the following five communities in Virginia having populations greater than 1,000 persons which would be precluded from the use of Channel 259: Charlottesville (pop. 38,800), Staunton (pop. 24,504), Waynesboro (pop. 16,707), Bridgewater (pop. 2,828), and Grottoes (pop. 1,166). Nevertheless, all of these communities have at least two Class A channels available for assignment. In addition, Staunton and Bridgewater have a Class B channel available for assignment. It should also be noted that three of these communities have local radio service. Charlottesville is served locally by three fulltime AM stations, one commercial Class A FM station, and one commercial Class B FM station. Recently, the Commission assigned Channel 224A to Charlottesville as its third FM assignment. Staunton has one fulltime AM station, one daytime-only AM station, and one Class A FM station. Waynesboro is served locally by two fulltime AM stations but does not have an FM assignment.

4. **Radio Quiet Zone:** Crozet is located within a "radio quiet zone" in which harmful interference is minimized so that the study of radio astronomy can be pursued by the National Radio Astronomy Observatory at Green Bank, West Virginia, and by the Naval Radio Research Observatory at Sugar Grove, West Virginia. Section 73.215(a) of the Commission's Rules. However, since both the National Radio Astronomy Observatory and the Naval Radio Research Observatory have not objected to the assignment of Channel 259 to Crozet, we are proposing this assignment herein. It should be noted that our Rules afford these two observatories a period of twenty days in which to raise any objections to our grant of a construction permit to a station within the radio quiet zone. See Section 73.215(a) of the Commission's Rules.

5. Comments.

(a) **Crozet's Need for a Class B Channel:** In its Opposition, Clay argues that Crozet neither needs nor deserves the requested assignment of Class B Channel 259. Clay points out that under our policy, Class B service is designed for larger cities and metropolitan areas, not for relatively small communities like Crozet. Moreover, Clay contends that Crozet does not fit into the Commission's exception allowing a Class B or C assignment at a small community which is both the commercial center of a large rural area and which is far removed from large centers of population. *Memphis, Texas*, 3 F.C.C. 2d 671, 675 (1966); *Oberlin, Kansas*, 42 F.C.C. 2d 442, 443 (1973). In this regard, Clay indicates that Crozet is located only 16 kilometers (10 miles) from the large urban area of Charlottesville.

ville (pop. 38,800) and is not itself a center of county or local activity. However, in its Reply, the petitioner contends that the exception should be applicable to Crozet because Crozet is a commercial center for western Albemarle County and because a station operating with maximum facilities on the proposed channel would provide a first FM service to approximately 10,400 persons living predominantly in Nelson County, Virginia, and a second FM service to 10,100 persons living in Nelson, Albemarle, Buckingham, and Madison Counties, Virginia. Petitioner adds that, in spite of Crozet's close proximity to Charlottesville and Waynesboro, the AM broadcast stations in these two cities do not provide fulltime broadcast service to Crozet and the western portion of Albemarle County due to either low power or highly directional antenna patterns. Petitioner admits that the two FM stations at Charlottesville do provide fulltime broadcast service to Crozet, but he feels that these stations do not cover the local activities in Crozet. Consequently, the petitioner believes that Crozet is in need of a Class B channel to report on the matters of interest to the residents of Crozet and the large surrounding rural area.

(b) We believe that the question of Crozet's need for a Class B channel deserves some further discussion in comments and reply comments other than that already submitted. We would point out that Clay has correctly stated the Commission's policy, which is not to assign Class B or C channels to communities having populations less than 10,000 persons. However, we have made exceptions in the past when the assignment would result in a large first or second FM service,³ when the assignment of a Class B or C channel would enable a large rural area to be served,⁴ or when there was no other place that the Class B or C channel might be used due to the Commission's distance separation rules.⁵ These cases should be considered in addition to the *Memphis, Texas*, and *Oberlin, Kansas*, cases relied upon by Clay, and we would expect this to be done in either the comments or the reply comments so that we may make a determination as to whether or not a Class B channel would be appropriate.

(c) *Section 307(b) Assignment Considerations:* Clay also argues in its Opposition that the petitioner's request is inconsistent with Section 307(b) of the Communications Act of 1934, as amended, which require that there be a "fair, efficient, and equitable distribution of radio service." * * * Clay contends that Channel 259 could be assigned to some other communities such as Staunton, Harrisonburg, or Bridgewater, Virginia, which have greater need for a Class B channel. Clay states that Staunton (pop. 24,504), and Augusta County

(pop. 44,220) have a combined population of 68,724 people who are served only by one fulltime Class IV AM station (WTOM), one daytime AM station (WKDW), and one Class A FM station (WSGM) at Staunton.⁶ In addition, Waynesboro (pop. 16,707), which is also located in Augusta County, has only two fulltime AM stations. Clay states that Channel 259 could also be used at Harrisonburg (pop. 14,605), the seat of Rockingham County (pop. 47,890), Virginia, provided that the transmitter site is located at least 6.4 kilometers (4 miles) west of Harrisonburg or at Staunton. Clay points out that Harrisonburg and Rockingham County have a combined population of 62,495 people who are served locally by only one fulltime AM station (WSVA) and one commercial FM station (WQPQ) at Harrisonburg. In contrast, Clay states that the 76,000 residents of Albemarle County and Charlottesville are served by three fulltime AM stations and two commercial FM stations at Charlottesville as well as a daytime-only AM station at Crozet. There is also a vacant Class A assignment at Charlottesville. Consequently, Clay believes Section 307(b) requires that Channel 259 be assigned to Staunton, Bridgewater, or Harrisonburg, rather than to Crozet.

(d) In its Reply, the petitioner contends that Augusta County is well served by the following six broadcast stations, not three stations as stated by Clay: one fulltime AM, one daytime-only AM, and one Class A FM station at Staunton; two fulltime AM stations in Waynesboro; and one daytime-only AM station in Deerfield. Moreover, the petitioner alleges that Class B Channel 289 and Channels 272A, 288A, 296A, or 240A are available for assignment at Staunton or Waynesboro. In addition, the petitioner states that Class B Channel 289 and Channels 272A, 288A, or 296A are available for assignment at Harrisonburg and Bridgewater, in Rockingham County.

(e) We would like the parties in their comments and reply comments to address further the question of whether the assignment of Channel 259 to Crozet would be inconsistent with our mandate under Section 307(b) and to take into account in these comments the fact that no interest has been expressed for an additional FM assignment at Staunton, Harrisonburg, or Waynesboro. Also, such a discussion should include the effect of the radio quiet zone on the assignment of FM channels in this area. Since Staunton, Harrisonburg, Waynesboro, Bridgewater, as well as Crozet, are located within the radio quiet zone, the Naval Radio Research Observatory and the National Radio Astronomy Observatory are given an opportunity to comment upon or to raise objections prior to our grant of a construction permit to a station licensed to one of these communities. Section 73.215(a) of the Commission's Rules. Moreover, our staff's engineering study indicates that most

likely these observatories will not object to our grant of a construction permit to a station located at Crozet because Crozet is located east of the Blue Ridge Mountains which appears to provide a shield for the radio astronomy observatories from radio signals produced by a Crozet station. In contrast, although Channel 259 could also be used at either Harrisonburg or Staunton in conformity with our distance separation requirements, there may be some objections by the radio observatories to the grant of a construction permit at either of these communities because they are located west of the Blue Ridge Mountains and much closer to the radio astronomy observatories than Crozet.⁷ In any event, the effect of the quiet zone on assignments in this area is an important element to be considered in determining whether the assignment of Channel 259 to Crozet is consistent with Section 307(b).

(f) *Effect of Economic Injury on the Public Interest:* In its Opposition, Clay contends that Crozet advertisers cannot support a second broadcast station at Crozet and that such a station would have to appeal to Charlottesville advertisers. However the alleged economic effect a new station would have on existing licensees is a matter to be considered at the application stage rather than at the channel assignment stage in terms of whether the public would lose service as a result of the construction of a new station. *Sanders Brothers Radio Station v. F.C.C.*, 309 U.S. 470 (1940); *Carroll Broadcasting Co. v. F.C.C.*, 258 F.2d 440 (D.C. Cir. 1958); *Adrian, Michigan*, 37 F.C.C.2d 1021, 1023 (1972). Consequently, if Clay desires to raise this issue, it must bear the burden of showing that the utilization of the channel at Crozet would result in either a diminution or destruction of service at Charlottesville or at Crozet.

(g) *The Berwick Issue:* Because of the proximity to Charlottesville, a Class B station, operating at Crozet with the facilities proposed by the petitioner, would place a city-grade signal over all of Charlottesville. A question is presented as to whether the proposal is designed to primarily serve Crozet rather than Charlottesville, this particularly true since a Class B channel is proposed. A showing on this matter is required before the channel could be assigned. For a discussion of this issue, see *Berwick Broadcasting Co.*, 12 F.C.C.2d 8 (1968), and *P.A.L. Broadcasting Co.*, 40 F.C.C.2d 546, 556 (1973).

6. *Roanoke Rapids Study:* Petitioner is requesting a Class B channel in a place where a Class A channel would normally be assigned, and has submitted a *Roanoke Rapids* study which shows that there would be a first FM service to 10,400 people and a second FM service to 10,100 people by a Class B station operating on the petitioner's proposed facilities. See para. 5(a), *supra*. We request

³ *Lyons, Kansas*, 42 F.C.C.2d 215, 216 (1973); *Lexington, Missouri*, 53 F.C.C.2d 893 (1975).

⁴ *Clinton, Oklahoma*, 7 F.C.C.2d 836, 839 (1975).

⁵ *Pensacola, Florida*, 44 F.C.C.2d 1056, 1061 (1974).

⁶ It should be noted that in the 1970 U.S. Census, the populations of cities in Virginia are not included in the county populations.

⁷ Because of problems involving the West Virginia radio quiet zone, the Commission deleted FM channels from various communities in this area, including Waynesboro and Staunton, Virginia. See *Report and Order*, Docket No. 16991, 6 F.C.C.2d 793 (1967).

that the petitioner supplement its *Roanoke Rapids* study by showing how many of the people who would receive a first and second FM service from a Class A station located at Crozet. In addition, the petitioner should show the extent of nighttime service provided by standard broadcast stations. *Anamosa-Iowa City, Iowa*, 40 F.C.C. 2d 250 (1974).

7. In view of the above, the Commission proposes to amend the FM Table of Assignments, § 73.202(b) of the Commission's Rules and Regulations, with regard to Crozet, Virginia, as follows:

City	Channel No.	
	Present	Proposed
Crozet, Va.		259

8. The Commission's authority to institute rule making proceedings; showings required; cut-off procedures; and filing requirements are shown below and are incorporated herein.

9. Interested parties may file comments on or before November 19, 1976, and reply comments on or before December 9, 1976.

FEDERAL COMMUNICATIONS
COMMISSION,
WALLACE E. JOHNSON,
Chief, Broadcast Bureau.

1. Pursuant to authority found in Sections 4(i), 5(d)(1), 303(g) and (r), and 307(b) of the Communications Act of 1934, as amended, and § 0.281(b)(6) of the Commission's Rules, it is proposed to amend the FM Table of Assignments, § 73.202(b) of the Commission's Rules and Regulations, as set forth in the *Notice of Proposed Rule Making*.

2. *Showings required.* Comments are invited on the proposal(s) discussed in the *Notice of Proposed Rule Making*. Proponent(s) will be expected to answer whatever questions are presented in initial comments. The proponent of a proposed assignment is also expected to file comments even if it only resubmits or incorporates by reference its former pleadings. It should also restate its present intention to apply for the channel if it is assigned, and, if authorized, to build the station promptly. Failure to file may lead to denial of the request.

3. *Cut-off procedures.* The following procedures will govern the consideration of filings in this proceeding.

(a) Counterproposals advanced in this proceeding itself will be considered, if advanced in initial comments, so that parties may comment on them in reply comments. They will not be considered if advanced in reply comments. (See § 1.420(d) of Commission Rules.)

(b) With respect to petitions for rule making which conflict with the proposal(s) in this Notice, they will be considered as comments in the proceeding, and Public Notice to this effect will be given as long as they are filed before the date for filing initial comments herein. If filed later than that, they will not be considered in connection with the decision in this docket.

4. *Comments and reply comments; service.* Pursuant to applicable proce-

dures set out in §§ 1.415 and 1.420 of the Commission's Rules and Regulations, interested parties may file comments and reply comments on or before the dates set forth in the *Notice of Proposed Rule Making*. All submissions by parties to this proceeding or persons acting on behalf of such parties must be made in written comments, reply comments, or other appropriate pleadings. Comments shall be served on the petitioner by the person filing the comments. Reply comments shall be served on the person(s) who filed comments to which the reply is directed. Such comments and reply comments shall be accompanied by a certificate of service. (See § 1.420 (a), (b) and (c) of the Commission Rules.)

5. *Number of copies.* In accordance with the provisions of § 1.420 of the Commission's Rules and Regulations, an original and four copies of all comments, reply comments, pleadings, briefs, or other documents shall be furnished the Commission.

6. *Public inspection of filings.* All filings made in this proceeding will be available for examination by interested parties during regular business hours in the Commission's Public Reference Room at its headquarters, 1919 M Street, N.W., Washington, D.C.

[FR Doc. 76-30755 Filed 10-19-76; 8:45 am]

FEDERAL MARITIME COMMISSION

[46 CFR Part 511]

[Docket No. 76-58; G.O. 5]

REPORTS BY COMMON CARRIERS BY WATER IN DOMESTIC OFFSHORE TRADES

Availability to the Public

Notice is hereby given that pursuant to the Administrative Procedure Act (5 U.S.C. 553) and section 43 of the Shipping Act, 1916 (46 U.S.C. 841a), the Federal Maritime Commission is considering amending its General Order 5 (46 CFR Part 511) by adding a new § 511.7 for the purpose of establishing provisions whereby the financial and operating data submitted in Forms FMC-63 and FMC-64 pursuant to Part 511, limited to those carriers who also report identical information to the Interstate Commerce Commission in ICC Forms W-1 and W-4, would be made available to the public for inspection and copying upon written application to the Secretary, Federal Maritime Commission. Currently, public disclosure of this data is not permitted.

The Commission is of the opinion that restriction of this data for internal use serves no worthwhile purpose because such data is presently available to the public from the Interstate Commerce Commission.

The Commission does not propose to make available those Part 511 reports submitted on or before November 21, 1974, the effective date of 5 U.S.C. 552 as amended because carriers subject to Part 511 submitted the required data in expectation that the data would not be made public.

Part 511 would be amended by addition of new § 511.7 to read as follows:

§ 511.7 Availability to the public.

Data submitted pursuant to this part, limited to those carriers who submit identical data to the Interstate Commerce Commission in ICC Forms W-1 and W-2, shall be made available to the public by the Federal Maritime Commission upon written application to the Secretary, Federal Maritime Commission. The data to be made available shall include original submissions as well as revisions and amendments thereto made at later dates, but shall not include any underlying working papers, books, records, or other carrier accounts not required to be submitted by this part: *Provided, however*, That data submitted pursuant to this part prior to November 21, 1974, the effective date of 5 U.S.C. 552 as amended shall not be made available.

Interested parties may submit such written data, views, or argument, as they desire, together with requests for oral argument should the same be desired. Communications should be submitted in an original and fifteen copies to the Secretary, Federal Maritime Commission, Washington, D.C. 20573. All communications received on or before November 19, 1976, will be considered.

By order of the Commission.

FRANCIS C. HURNEY,
Secretary.

[FR Doc. 76-30797 Filed 10-19-76; 8:45 am]

FEDERAL RESERVE SYSTEM

[12 CFR Part 212]

[Reg. L; Docket No. R-0059]

CLAYTON ACT

Interlocking Bank Relationships

The Board of Governors invites public comment on a proposed amendment to Regulation L (12 CFR Part 212) that would permit, with certain prescribed limitations, a director, officer, or employee of a member bank to serve simultaneously as a director, officer, or employee of a minority bank.

Interlocking relationships between member banks and other banks in the same city, town, or village are generally prohibited by section 8 of the Clayton Act (15 U.S.C. 19). The statute provides that the Board of Governors may by regulation permit interlocking relationships between a member bank and another institution. Pursuant to this authority by regulation the Board previously has permitted a director, officer, or employee of a member bank to serve as a director, officer, or employee of a Morris Plan bank, a bank in a low income area, or a bank that is actively being considered for merger or consolidation with the member bank.

The Board is aware that minority banks are often in need of managerial or operating expertise in order to continue to develop and to continue to serve the community in a profitable manner. Additional managerial and operating expertise would be procompetitive in that it would result in a stronger minority bank. Many directors, officers, and employees of member banks are willing

to provide such assistance to minority banks in the same geographic area. However, such assistance is generally prohibited by the restrictions of the Clayton Act. Consequently, the Board is of the view that public benefits would result if such interlocking relationships were authorized by the Board. It is believed that the proposed amendment would not be inconsistent with the purposes of section 8 of the Clayton Act.

Interested persons are invited to submit their views or arguments on this proposal. Any such material should be submitted in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than November 15, 1976. All material submitted should include the docket number R-0059. Such material will be made available for inspection and copying upon request, except as provided in § 261.6(a) of the Board's rules regarding availability of information.

Pursuant to its authority under 15 U.S.C. 19, the Board proposes to amend § 212.3 of Regulation L (12 CFR 212.3) by adding a new paragraph (h) to read as follows:

§ 212.3 Relationships permitted by Board.

In addition to any relationships covered by the foregoing exception, not more than one of the following relationships is hereby permitted by the Board of Governors of the Federal Reserve System in the case of any one individual.

(h) *Minority Bank.* Any director, officer, or employee of a member bank of the Federal Reserve System may be at the same time a director, officer, or employee of not more than one other bank that is at least 50 per cent owned, controlled, or managed by persons who are members of a minority group by virtue of their race, religion, color, national origin, or sex, subject to the following conditions: (1) Such relationship is determined by the Board to be necessary to provide management or operating expertise to such other bank; (2) not more than three interlocking relationships between any two banks shall be permitted by this paragraph, except that persons serving in interlocking relationships pursuant to this paragraph shall in no instance constitute a majority of the board of directors of the other bank; (3) no interlocking relationship permitted by this paragraph shall continue for more than a five-year period, and (4) upon such other items and conditions in addition to or in lieu of the foregoing, as may be determined by the Board in any specific case.

By order of the Board of Governors, October 13, 1976.

THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc.76-30773 Filed 10-19-76; 8:45 am]

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 1048]

[Ex Parte No. MC-37 (Sub. No. 9E)]

BALTIMORE, MD.

Commercial Zones and Terminal Areas

Petitioners: Anne Arundel County, Md., the Chamber of Commerce of Metropolitan Baltimore, Inc., the Anne Arundel County Trade Council, Inc., and Kaiser-Aetna Business Centers Division.

Petitioners' Representatives: J. Cookman Boyd, Jr., 9 W. Mulberry Street, Baltimore, Md. 21201. George W. Liebman and Michael Robyler, 1300 Merchantile Bank & Trust Bldg., 2 Hopkins Plaza, Baltimore, Md. 21201.

By the instant petition, filed September 14, 1976, the above-named petitioners request that the Commission institute a rulemaking proceeding for the purpose of redefining the limits of the Baltimore, Md., commercial zone, which was most recently defined on August 25, 1976, in Commercial Zones and Terminal Areas, 117 M.C.C. 162. The present description of the Baltimore commercial zone limits can be found at 49 CFR 1048.21. Petitioners desire to modify the existing definition by adding thereto the geographical area described as follows:

All points embraced within that area bounded on the south by Dorsey Road, on the west by the Baltimore-Washington Expressway, and on the north and east by the existing commercial zone boundary line.

The proposed action is not expected to significantly affect the quality of the human environment within the meaning of the National Environmental Policy Act of 1969. No oral hearing is contemplated at this time, but anyone wishing to make representations in favor of, or against the relief sought in the petition may do so by the submission of written data, views, or arguments. An original and seven copies of such data, views, or arguments shall be filed with this Commission on or before November 29, 1976. A copy of each representation should be served upon petitioner's representatives. Written submissions will be available for public inspection during regular business hours at the offices of the Interstate Commerce Commission, 12th and Constitution Avenue, Washington, D.C.

Notice to the general public of the matter herein under consideration will be given by depositing a copy of this notice in the Office of the Secretary of the Commission for public inspection and by filing a copy thereof with the Director, Office of the Federal Register.

By the Commission.

ROBERT L. OSWALD,
Secretary.

[FR Doc.76-30831 Filed 10-19-76; 8:45 am]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Parts 240, 249]

[Release No. 34-12892; File No. ST-653]

RULES RELATING TO REPORTING BY CERTAIN ISSUERS THAT FILE REPORTS WITH OTHER FEDERAL AGENCIES

Extension of Comment Period

On September 3, 1976, the Securities and Exchange Commission published for comment various proposals relating to reporting by certain issuers who file reports with other Federal agencies (Release 34-12769; 41 FR 39048). The proposed amendments to Rules 13a-13 (17 CFR 240.13a-13); 14a-3 (17 CFR 240.14a-3); 14c-3 (17 CFR 240.14c-3); and 15d-3 (17 CFR 240.15d-3) and the proposed revocation of Rule 13b-1 (17 CFR 240.13b-1) and Form 12-K (17 CFR 249.312) under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq., as amended by Pub. L. No. 94-29 (June 4, 1975), if adopted, would require that those registrants who currently file copies of their reports submitted to the Interstate Commerce Commission, Federal Power Commission, Federal Communications Commission and Civil Aeronautics Board as exhibits to annual report Form 12-K and in lieu of the information specified in quarterly report Form 10-Q (17 CFR 249.308a) instead file reports in full compliance with annual report Form 10-K (17 CFR 249.310) and quarterly report Form 10-Q and the regulations governing such reports.

The time for submitting comments on this matter expires October 15, 1976. However, the Commission has received a request for additional time within which to submit such comments. Accordingly, the comment period has been extended to November 15, 1976. Comments should be addressed to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D.C. 20549. All such communications should refer to File No. ST-653.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

OCTOBER 14, 1976.

[FR Doc.76-30846 Filed 10-19-76; 8:45 am]

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tence will not be accepted unless they are payable at a Federal Reserve Bank. Payment will not be deemed to have been completed where registered notes are requested if the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security number or an employer identification number) is not furnished. In every case where full payment is not completed, the payment with the tender up to 5 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. When payment is made with notes, a cash adjustment will be made to or required of the bidder for any difference between the face amount of notes submitted and the amount payable on the notes allotted.

V. ASSIGNMENT OF REGISTERED NOTES

1. Registered notes tendered as deposits and in payment for notes allotted hereunder are not required to be assigned if the new notes are to be registered in the same names and forms as appear in the registrations or assignments of the notes surrendered. Specific instructions for the issuance and delivery of the new notes, signed by the owner or his authorized representative, must accompany the notes presented. Otherwise, the notes should be assigned by the registered payees or assignees thereof in accordance with the general regulations governing United States securities, as hereinafter set forth. When the new notes are to be registered in names and forms different from those in the inscriptions or assignments of the notes presented the assignment should be to "The Secretary of the Treasury for Treasury Notes of Series S-1978 in the name of (name and taxpayer identifying number)." If notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for coupon Treasury Notes of Series S-1978 to be delivered to....." Notes tendered in payment should be surrendered to the Federal Reserve Bank or Branch or to the Bureau of the Public Debt, Washington, D.C. 20226. The notes must be delivered at the expense and risk of the holder.

2. If bearer notes are not ready for delivery on settlement date, purchasers may elect to receive interim certificates. These certificates shall be issued in bearer form and shall be exchangeable for the notes offered herein, when such notes are available, at any Federal Reserve Bank or Branch, or at the Bureau of the Public Debt, Washington, D.C. 20226. The interim certificates must be returned at the risk and expense of the holder.

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive tenders, to make such allotments as may be prescribed by the Secretary of the Treasury, to issue such notices as may be necessary, to receive payment for and make delivery of

notes on full-paid tenders allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

GEORGE H. DIXON,
Acting Secretary of the Treasury.

[FR Doc.76-30881 Filed 10-19-76;8:45 am]

DEPARTMENT OF DEFENSE

Department of the Air Force USAF SCIENTIFIC ADVISORY BOARD Meeting

OCTOBER 13, 1976.

The date for the USAF Scientific Advisory Board Guidance and Control Panel meeting published in Federal Register on October 7, 1976, Volume 41, Number 196, FR Doc 76-29450, has been changed from November 11, 1976 to November 18, 1976.

For further information contact the Scientific Advisory Board at (202) 697-4648.

FRANKIE S. ESTEP,
Air Force Federal Register Liaison Officer, Directorate of Administration.

[FR Doc.76-30745 Filed 10-19-76;8:45 am]

Office of the Secretary

ARMED FORCES EPIDEMIOLOGICAL BOARD

Notice of Meeting

1. In accordance with section 10(a)(2) of the Federal Advisory Committee Act (P.L. 92-463) announcement is made of the following committee meeting:

Name of committee: Armed Forces Epidemiological Board.

Date of meeting: 11-12 November 1976.

Place: Conference Room, U.S. Army Environmental Hygiene Agency, Edgewood Arsenal, Aberdeen Proving Ground, MD.

Time: 0900-1730; 0900-1730.

Proposed Agenda: The primary emphasis of this meeting will be the occupational and environmental health programs and problems of the Armed Forces. The Board will be given a briefing on the operations of the Army Environmental Hygiene Agency. Environmental health aspects of the medical lessons learned from the 1973 Arab-Israeli conflict will be discussed. A preliminary report on the Theater of Operations Medical Support System study will be presented. The Chiefs of the Preventive Medicine Offices of each military service will present a summary of their operations during 1976. Board organization under the 1977-79 Charter will be discussed.

2. This meeting will be open to the public, but limited by space accommodations. Any interested person may attend, appear before, or file statements with the committee at the time and in the manner permitted by the committee. Interested persons wishing to participate

should advise the Executive Secretary, DASG-AFEB, Room 1B472 Pentagon, Washington, D.C. 20310.

Dated: 13 October 1976.

DUANE G. ERICKSON,
Executive Secretary.

[FR Doc.76-30697 Filed 10-19-76;8:45 am]

DEFENSE SCIENCE BOARD TASK FORCE ON PATRIOT VULNERABILITY

Meeting

The Defense Science Board Task Force on PATRIOT Vulnerability will meet in closed session on 16 and 17 November 1976 at the Raytheon Company, Bedford, Massachusetts, and 18 November 1976 in the Pentagon, Washington, D.C.

The mission of the Defense Science Board is to advise the Secretary of Defense and the Director of Defense Research and Engineering on overall research and engineering and to provide long-range guidance in these areas to the Department of Defense.

The task force will provide an analysis of the PATRIOT vulnerability to current and projected threats and provide related guidance and advice regarding R&D action considered appropriate within the Department of Defense.

In accordance with Section 10(d) of Appendix I, Title 5, United States Code, it has been determined that this task force meeting concerns matters listed in Section 552(b) of Title 5 of the United States Code, specifically subparagraph (1) thereof, and that accordingly this meeting will be closed to the public.

MAURICE W. ROCHE,
Director, Correspondence and Directives, OASD (Comptroller).

OCTOBER 15, 1976.

[FR Doc.76-30775 Filed 10-19-76;8:45 am]

DEPARTMENT OF THE INTERIOR

Geological Survey

[Proposed OCS Order No. 15]

OUTER CONTINENTAL SHELF OIL AND GAS OPERATIONS

Information Concerning Development Plans

Notice is hereby given that, pursuant to 30 CFR 250.11 and in accordance with the revision of 30 CFR 250.34, draft OCS Order 15, "Submittal of Information Concerning Development Plans to Coastal States" is proposed as set forth below.

The FEDERAL REGISTER publication of November 4, 1975 (40 FR 51199), setting forth the revisions of 30 CFR 250.34 announced the intent to draft an OCS Order to implement the provisions of this revised regulation. OCS Order 15 is proposed for the purpose of defining more specifically the content and timing of information to be provided by lessees and operators to the States.

Interested persons may submit written comments and suggestions on the pro-

posed Order to the Chief of the Conservation Division, U.S. Geological Survey, National Center, 12201 Sunrise Valley Drive, Reston, Virginia 22092, on or before January 1, 1977.

Pursuant to Executive Order 11821 and OMB Circular A-107, this proposal has been reviewed and a determination has been made that it is minor.

V. E. McKELVEY,
Director.

OCS ORDER NO. 15

SUBMITTAL OF INFORMATION CONCERNING DEVELOPMENT PLANS TO COASTAL STATES

This Order is established pursuant to the authority prescribed in 30 CFR 250.11 and in accordance with 30 CFR 250.34, and applies to those States without a coastal zone management program approved by the Secretary of Commerce in accordance with the Coastal Zone Management Act of 1972 and amended in 1976. Section 250.34, as revised November 4, 1975 (40 FR 51199), provides in part as follows:

Development Plan. Prior to commencement of a development program on a lease, a plan of development shall be submitted to the Supervisor for approval. On leases issued after November 4, 1975, the Supervisor shall furnish a copy of the plan to the Governors of directly affected States except for that information identified by the Freedom of Information Act (P.L. 90-23) as being excluded from disclosure. The Governors shall have 60 days from receipt of this information in which to review and comment on the proposed plan.

Information for States. For any lease issued after November 4, 1975, the lessee shall deliver to the Governor of each directly affected State information concerning the onshore and offshore impact of the proposed plan of development. Such delivery shall be made 30 days before submission of the relevant development plan. The lessee shall notify the Governor and the Supervisor when final delivery of this information has been made.

The operator shall comply with the following requirements. Any departures from the requirements specified in this Order must be approved pursuant to 30 CFR 250.12(b).

1. **Directly Affected States.** For the purpose of this Order, the States considered affected by operations in the Area are listed in Appendix A.

2. **Information to be Submitted to the States.** At least 30 days prior to submitting a plan of development for lease or unit operations to the Supervisor for approval, the lessee or operator shall furnish the Governor, or his designated representative, of each directly affected State and the Supervisor its assessment of the following information:

A. **Location.** The location, as to county, parish or general purpose local government, the size of any offshore and land-based facilities to be constructed, leased, or otherwise acquired or expanded, or offshore and land-based operations to be conducted or contracted for as a result of the proposed lease activity shall be identified and include:

(1) The amount of acreage required within the State for facilities and storage, right of way, and easements.

(2) The means to be used to transport oil and gas to shore, the routes such transportation will follow, and where possible, the estimated quantity of the oil and gas moving along such routes.

(3) An estimate of the frequency of boat and aircraft departures and arrivals, on a

monthly basis, the onshore location of terminals, and the normal routes to be followed by each mode of transportation.

B. **Resource Requirements.** The requirements for land, labor, materials, and energy for the items identified in paragraph A above shall be stated and include:

(1) The approximate number of persons who will be engaged in onshore support activities and transportation, the approximate number of local personnel who will be employed for or in support of the development programs, indicating the major skills or crafts required from local sources and the estimated number of each such skill needed, and the approximate total number of persons who will be employed for the development programs.

(2) The approximate addition to the population of the local jurisdiction because of the development programs and the approximate number of persons needing housing and other facilities.

(3) An estimate of any significant quantity of natural resources including water, aggregate, or other major supplies and equipment to be procured within the States.

(4) The types of contractors or vendors which will be needed, although not specifically identified, which will place a demand on local goods and services such as transportation, food services, security, etc.

C. **Timeframe.** The timing of the development operations shall be estimated including:

(1) Sequence of events.

(2) Best estimate of time involved to complete the operations.

(3) When the actions are most likely to occur onshore and offshore.

D. **Personnel Involved.** List the names and addresses of the companies or contractors, known or anticipated, who will be conducting the various activities.

E. **Alteration of Plans.** Events that may with a reasonably good probability occur to significantly alter the proposed operations with respect to onshore impacts, including changes in oil and gas transportation operations, shall be described as well as how such operations shall be altered.

F. **Responsibility.** The lessee shall name a responsible individual knowledgeable in the provisions of the development plan with whom inquiries may be made by State representatives for purposes of clarification or explanation of the information provided. However, any request for additional information must be made to the Supervisor.

3. **Adequacy of Information.** If the Governor of an affected State, or his designated representative, advises the Supervisor within 30 days of receipt of the information provided by the lessee or operator that in the judgment of the State the requirements of paragraph 2 above have not been fulfilled, the Supervisor shall forward the information furnished by the lessee or operator, the comments from the State representative, and the stated position of the lessee or operator through the Regional Conservation Manager and the Chief, Conservation Division, to the Director for his determination as to the adequacy of the information.

The State representative and the lessee or operator shall be advised by the Supervisor of the Director's findings. If additional information is required to be submitted by the lessee or operator, the 60-day period of time for review by the States of a subsequently submitted plan of development shall not be considered to have commenced until such information has been received by the State.

4. **Development Plan.** The lessee or operator shall submit development plans for lease or unit areas at least six months in advance of the contemplated date for commencement

of operations in order to allow time for an adequate review by personnel from the States and the Supervisor.

A. **Certification of Information.** The lessee or operator shall certify on each plan of development for a lease or unit area submitted for approval that the directly affected States have received the information set forth in paragraph 2 above at least 30 days prior to submission of the plan of development to the Supervisor. If any State does not desire the information, this fact should be stated and appropriate evidence from the State should be furnished.

B. **Proprietary Information.** The lessee or operator shall identify the information in the plan of development which, in his opinion, is excluded from required public disclosure by Subsection 562(b)(4) and (9) of the Public Information Act, e.g., (1) trade secrets and commercial or financial information and (2) geological and geophysical information, data, and maps concerning wells.

C. **State Review of Development Plans.** The plan of development, excluding that information identified in paragraph 4.B. which is approved for exclusion by the Supervisor, shall be provided by the Supervisor to the Governor, or designated representative, of each directly affected State. No approval action on the plan will be taken by the Supervisor until comments are received from the appropriate State personnel or 60 days have elapsed from the date on which the State received the plan.

D. **Amendments to Plans of Development.** The operator shall submit amendments to a plan of development, including amendments which are determined to be minor, to the Supervisor and to the Governor or designated representative of each directly affected State. If the amendment is considered significant by the Supervisor, the review period may be extended for a period not to exceed 60 days from the States' receipt of the amendment.

An amendment may be considered significant if it results in an alteration of facilities or operations onshore and offshore that would change the impact.

5. **Modifications of Approved Plans of Development.** The lessee or operator shall submit to the Supervisor for approval a request for modification of an approved plan of development. If such modification, in the opinion of the Supervisor, would result in significant alteration of facilities or operations onshore and offshore, the procedures specified in the preceding paragraphs shall be followed.

6. **Extension of Leases.** Upon request of a lessee, the Supervisor may approve a suspension of operations for a nonproducing lease equal to the period of time in excess of 60 days which may be required for the previously described review, if such delay is not caused by the lessee and is in the interest of conservation.

Supervisor

APPROVED:

Chief, Conservation Division

APPENDIX A

Mid-Atlantic (Sales 40 and 49)—New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, and North Carolina.
North Atlantic (Sales 42 and 52)—New York, Connecticut, Rhode Island, Massachusetts, New Hampshire, and Maine.
South Atlantic (Sales 43 and 54)—North Carolina, South Carolina, Georgia, and Florida.
Pacific (Sales 35, 48, and 53)—California.
Pacific (Sale 53)—Oregon and Washington.
Gulf of Mexico (East) (Sales 41 and 47)—Mississippi, Alabama, and Florida.

Gulf of Mexico (Central) (Sales 41, 44, and 47)—Louisiana.
 Gulf of Mexico (West) (Sales 41, 44, and 47)—Texas.
 Gulf of Alaska, Lower Cook Inlet, Bering Sea, Beaufort Sea, Outer Bristol Basin, Chukchi Sea (Sales 39, 45, 46, 50, 51)—Alaska.

[FR Doc.76-30679 Filed 10-19-76;8:45 am]

Bureau of Land Management

[INT DES 76-43]

ALUNITE PROJECT, BEAVER COUNTY, UTAH

Availability of Draft Environmental Statement and Holding of Public Hearings

Pursuant to Section 102(2)(C) of the National Environmental Policy Act of 1969, the Department of the Interior has prepared a draft environmental statement for the proposed Alunite project in Beaver County, Utah.

The proposal involves construction of an alunite processing plant, open-pit mine, water system, transportation system, and employment of approximately 1,000 people.

The Department of the Interior invites written comments on the draft statement to be submitted prior to close of business December 6, 1976, to the District Manager, Cedar City District, Bureau of Land Management, P.O. Box 729, 1579 North Main Street, Cedar City, Utah 84720.

A limited number of copies of the draft environmental statement are available upon request to the District Manager at the above address.

Public reading copies will be available for review at the following locations:

Office of Public Affairs, Bureau of Land Management, Interior Building, 18th and C Streets, NW., Washington, D.C. 20240. Telephone: (202) 343-5717.

Utah State Office, Bureau of Land Management, University Club Building, 136 East South Temple, Salt Lake City, Utah 84111. Telephone: (801) 524-4257.

Cedar City District Office, 1579 North Main Street, Cedar City, Utah 84720. Telephone: (801) 586-2401.

County Recorder's Office, Iron County Courthouse, Parowan, Utah 84761. Telephone: (801) 477-3583.

County Recorder's Office, Beaver County Courthouse, Beaver, Utah 84713. Telephone: (801) 438-2352.

City Recorder's Office, Milford City Office, 55 West 400 South, Milford, Utah 84751. Telephone: (801) 387-2711.

Cedar City Office, City and County Building, Cedar City, Utah 84720. Telephone: (801) 586-6514.

Public hearings on the draft environmental statement will be held. Places, dates and times will be announced at least thirty (30) days prior to the hearing date.

GEORGE L. TURCOTT,
Associate Director,
Bureau of Land Management.

APPROVED: October 15, 1976.

STANLEY D. DOREMUS,
Deputy Assistant Secretary of
the Interior.

[FR Doc.76-30699 Filed 10-19-76;8:45 am]

DOMESTIC LIVESTOCK GRAZING, TONOPAH AREA, BATTLE MOUNTAIN DISTRICT, NEV.

Draft Environmental Statement

In accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969, the Bureau of Land Management (BLM) has begun preparation of the draft environmental statement on proposed livestock grazing in the Tonopah study area of the Battle Mountain District, Nevada, including northern Nye County and eastern Esmeralda County.

The proposal involves domestic livestock grazing management on about 4,410,000 acres of national resource lands in the Tonopah study area. The statement will analyze in detail potential impacts on the human environment of implementing a grazing management program through allotment management plans. Allotment management plans consider vegetation growth requirements, a continuing supply of livestock forage, watershed, wildlife, and wild horse and burro requirements. The grazing environmental statement will also consider alternative livestock grazing methods.

An interdisciplinary team has been assembled by BLM in Reno for the purpose of preparing the environmental statement. Anyone wishing to comment or make suggestions on the project, or desiring more information, should contact William C. Calkins, Chief, Environmental Coordination Section, BLM, 300 Booth Street, Room 3008, Reno, Nevada 89509.

Dated: October 12, 1976.

E. I. ROWLAND,
State Director, Nevada.

[FR Doc.76-30690 Filed 10-19-76;8:45 am]

OUTER CONTINENTAL SHELF OFF LOUISIANA AND TEXAS

Oil and Gas Lease Sale No. 44

"877.84."

Correction

In FR Doc. 76-30175 appearing at page 45594 of the issue for Friday, October 15, 1976, on page 45595, third column, under "South Pass Area, Louisiana Map No. 9" the Tract Number now reading "84-56" should read "44-56", and the Acreage now reading "477.84" should read "877.84".

National Park Service

CLAIMANTS OF MINING CLAIMS

Boundaries of Units of the National Park System

Notice is hereby given that in accordance with Section 8 of the Act of September 28, 1976, Pub. L. 94-429, all unpatented mining claims which lie within the boundaries of units of the National Park System shall be recorded with the Superintendent of the Unit in which they are located on or before September 28, 1977. Each Superintendent, or his designee, is hereby authorized to receive such recordation.

This recordation shall include, but is not limited to, the following instruments and information:

(1) A certified copy of each location notice which shall provide: Name of claim, locator(s); type (placer, lode, mill-site, or tunnel); mineral(s) for which claim was located; date of location; date of amendments or relocations, if any; recording date book, page, county and state, where recorded; and a legal description of the lands included in the mining claim(s). If the location notice does not provide all of the foregoing information, it will be attached in a supplement to the location notice.

(a) If the lands are surveyed, the legal description shall be by either a standard recitation of meridian, township, range, section and subdivision or by metes and bounds with a reasonable tie to an official public land survey monument.

(b) If the lands are unsurveyed, the legal description shall be by standard recitation of a protraction description from an approved protraction diagram.

(2) Plot of claim on a 7.5 or 15 minute series U.S. Geological Survey topographical map if the area is covered by either series. If not, a plot on any other accurate map.

(3) Current owner's(s) name(s) and address(es).

(4) Copies of recorded proofs of labor with years listed during which labor was completed, from original location to date.

Pursuant to the Act, any mining claim not so recorded shall be conclusively presumed to be abandoned and shall be void. Such recordation will not render valid any claim which was not valid on September 28, 1976, the effective date of the Act, or which becomes invalid thereafter.

Dated: October 13, 1976.

JOHN E. COOK,
Acting Director,
National Park Service.

[FR Doc.76-30778 Filed 10-19-76;8:45 am]

CHESAPEAKE AND OHIO CANAL NATIONAL HISTORICAL PARK COMMISSION Meeting

Notice is hereby given in accordance with Federal Advisory Committee Act that a meeting of the Chesapeake and Ohio Canal National Historical Park Commission will be held on Saturday, November 6, 1976, at 9 a.m., at the Stephen Mather Training Center, Harpers Ferry, West Virginia.

The Commission was established by Pub. L. 91-664 to meet and consult with the Secretary of the Interior on general policies and specific matters related to the administration and development of the Chesapeake and Ohio Canal National Historical Park.

The members of the Commission are as follows:

Miss Nancy Long (Chairman), Glen Echo, Maryland.
 Mrs. Anthony C. Morella, Bethesda, Maryland.
 Mr. Donald Frush, Hagerstown, Maryland.

Honorable Vladimir A. Wahbe, Baltimore, Maryland.
 Mr. Anthony Abar, Annapolis, Maryland.
 Mrs. John L. Melnick, Arlington, Virginia.
 Mrs. Dorothy Grotos, Arlington, Virginia.
 Mr. Burton C. English, Berkeley Springs, West Virginia.
 Mr. Henry W. Miller, Jr., Paw Paw, West Virginia.
 Mr. Lorenzo W. Jacobs, Jr., Washington, D.C.
 Mr. Joseph H. Cole, Washington, D.C.
 Mr. Ronald A. Clites, LaVale, Maryland.
 Mr. Mary Miltenberger, Cumberland, Maryland.
 Dr. James H. Gilford, Frederick, Maryland.
 Dr. Kenneth Bromfield, Frederick, Maryland.
 Mr. Edwin P. Wesely, Chevy Chase, Maryland.
 Mr. John C. Frye, Gapland, Maryland.
 Mr. Rome F. Schwagel, Keedysville, Maryland.

The matters to be discussed at this meeting include:

1. Announcements and superintendent's comments.
2. Advisory commission accomplishments and recommendations for the future.

The meeting will be open to the public. However, facilities and space for accommodating members of the public are limited and it is expected that not more than 30 persons will be able to attend the sessions. Any member of the public may file with the Committee a written statement concerning the matters to be discussed.

Persons wishing further information concerning this meeting, or who wish to submit written statements, may contact Richard L. Stanton, Associate Director, Cooperative Activities, National Capital Parks, at Area Code 202-426-6715. Minutes of the meeting will be available for public inspection 2 weeks after the meeting, at the Office of National Capital Parks, Room 208, 1100 Ohio Drive, SW., Washington, D.C.

Dated: October 5, 1976.

ABNER M. BRADLEY,
*Acting Regional Director,
 National Capital Region.*

[FR Doc.76-30780 Filed 10-19-76;8:45 am]

PICTURED ROCKS NATIONAL LAKESHORE ADVISORY COMMISSION

Meeting

Notice is hereby given in accordance with Pub. L. 92-463 that a meeting of the Pictured Rocks National Lakeshore Advisory Commission will be held November 12, 1976 at 1:00 p.m. (EST) in the Grand Marais Community Center, Grand Marais, Michigan.

The Commission was established by Pub. L. 89-668 to meet and consult with the Secretary of the Interior on general policies and specific matters related to the administration and development of the Pictured Rocks National Lakeshore.

Members of the Commission are:

Mr. Edward N. Locke (Chairman)
 Mr. Leo Garlepy (Vice Chairman)
 Mr. Glenn C. Gregg
 Mr. David C. West
 Mr. James Becker

Matters to be discussed at the meeting include:

1. Management Objectives, including commission members' comments on priorities.
2. Interior Secretary Kleppe's visit to the Upper Peninsula with reference to President Ford's \$1.5 billion parks proposal.
3. Law enforcement and vandalism in Pictured Rocks N.L.
4. Youth Conservation Corps accomplishments in 1976.

The meeting is open to the public. The meeting room will accommodate about 125 persons in addition to commission members. Interested persons may file written statements with the official listed below prior to the meeting.

Further information concerning this meeting may be obtained from Robert L. Burns, Superintendent, Pictured Rocks National Lakeshore, P.O. Box 40, Munising, Michigan 49862; telephone, area code 906, 387-2607.

Minutes of the meeting will be available for public inspection two weeks after the meeting at Pictured Rocks National Lakeshore headquarters at Sand Point, four miles east of Munising, Michigan.

Dated: October 7, 1976.

MERRILL D. BEAL,
*Regional Director,
 Midwest Region.*

[FR Doc.76-30779 Filed 10-19-76;8:45 am]

Bureau of Reclamation WATER FOR ENERGY, MISSOURI RIVER RESERVOIRS

Public Hearing on Draft Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Department of the Interior has prepared a draft environmental statement describing the potential environmental impacts which could be expected by diverting up to 1 million acre-feet of water from main-stem Missouri River reservoirs for energy related industrial development.

The draft environmental statement covers impacts of depletion of 1 million acre-feet of water from the main-stem reservoir system and of development and operation of hypothetical mixtures of industries and related coal mining in eastern Montana, western North Dakota, western and central South Dakota, and northeastern Wyoming.

Public hearings will be held to receive views and comments from interested organizations or individuals relating to the environmental impacts of this proposal. Hearings will be held in Billings, Montana, at Eastern Montana College Library, Room 148, on November 23, 1976, at 9:30 a.m.; Sheridan, Wyoming, at Sheridan Center Motor Inn on December 1, 1976, at 9:30 a.m.; Bismarck, North Dakota, at Holiday Inn Far West Room on December 7, 1976, at 9:30 a.m.;

and Pierre, South Dakota, at Kings Inn on December 9, 1976, at 9:30 a.m. Oral statements at the hearing will be limited to a period of 15 minutes. Speakers will not be allowed to trade their time to obtain a longer oral presentation; however, the person authorized to conduct the hearing may allow any speaker to provide additional oral comment after all persons wishing to make comment have been heard. Speakers will be scheduled according to the time preference mentioned in their letter or telephone request, whenever possible, and any scheduled speaker not present when called will lose his or her privilege in the scheduled order and his name will be recalled at the end of the scheduled speakers. Requests for scheduled presentation will be accepted up to 4:30 p.m. on November 19, 1976, for Billings, Montana; November 26, 1976, for Sheridan, Wyoming; December 3, 1976, for Bismarck, North Dakota, and Pierre, South Dakota, and any subsequent requests will be handled on a first-come-first-served basis following the scheduled presentation.

Organizations or individuals desiring to present their statement at the hearing should contact Regional Director Robert L. McPhail, Bureau of Reclamation, P.O. Box 2553, Billings, Montana 59103, telephone (406) 245-6711, extension 6214, and announce their intention to participate. Written comments from those unable to attend and from those wishing to supplement their oral presentation at the hearing should be sent on or before December 17, 1976, so that they can be included in the hearing record.

Dated: October 14, 1976.

G. G. STAMM,
Commissioner of Reclamation.

[FR Doc.76-30798 Filed 10-19-76;8:45 am]

DEPARTMENT OF AGRICULTURE

Packers and Stockyards Administration

RAMONA AUCTION BARN, RAMONA, CALIFORNIA, ET AL.

Posted Stockyards

Pursuant to the authority delegated under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. et seq.), it was ascertained that the livestock markets named below were stockyards within the definition of that term contained in section 302 of the Act, as amended (7 U.S.C. 202), and notice was given to the owners and to the public by posting notices at the stockyards as required by said section 302, on the respective dates specified below.

Facility No., name, and location of stockyard	Date of posting
CALIFORNIA	
CA-171 Ramona Auction Barn, Ramona.	May 1, 1976.
COLORADO	
CO-147 Stratton Livestock Marketing Center, Stratton.	Sept. 29, 1976.

KENTUCKY

Facility No., name, and location of stockyard Date of posting

KY-162 Logan County Live Stock Market, Inc., Russellville... Sept. 7, 1976.
KY-161 Henry County Stock Yards, Inc., Sligo... Sept. 13, 1976.

OKLAHOMA

OK-196 Fairfax Live-stock Auction, Fairfax... Sept. 23, 1976.

WISCONSIN

WI-134 Equity Live-stock Auction Market, Monroe... Sept. 28, 1976.

Done at Washington, D.C., this 15th day of October 1976.

EDWARD L. THOMPSON,
Chief, Registrations, Bonds, and Reports Branch, Livestock Marketing Division.

[FR Doc.76-30800 Filed 10-19-76;8:45 am]

DEPARTMENT OF COMMERCE

DHEW, NIH—BETHESDA

Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897) and the regulations issued thereunder as amended (15 CFR Part 301).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket Number: 76-00297. Applicant: DHEW, NIH, Building 7, Room 12, Bethesda, Maryland 20014. Article: Electron Microscope, Model JEM 100B. Manufacturer: JEOL, Japan. Intended use of article: The article is intended to be used for the identification and characterization of a number of viruses and virus-like antigens, including hepatitis A virus, hepatitis B virus, other hepatitis associated antigens, coronaviruses, rhinoviruses and gastroenteritis viruses, as well as antibodies specific for these viruses.

Comments: No comments have been received with respect to this application.

Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, was being manufactured in the United States at the time the foreign article was ordered (May 25, 1973).

Reasons: This application is a resubmission of Docket Number 74-00521-33-46040 which was denied without prejudice to resubmission on October 9, 1975 for informational deficiencies. The foreign article provides a magnification range of 300 to 500,000X without a pole-piece change and a guaranteed resolution of 3.0 Angstroms point-to-point (Å

pt.). The most clearly comparable domestic instrument available at the time the article was ordered was the Model EMU-4C electron microscope manufactured by the Adam David Company (Adam David). The Model EMU-4C has a specified resolution of 5Å pt. and with its standard pole-piece a specified magnification range of 1,400X to 240,000X. For survey and scanning the lower end of this range could be reduced to 200X or less. But the continued reduction of magnification induced an increasingly greater distortion. The domestic manufacturer suggests in its literature on the Model EMU-4C that for highest quality, low magnification electron micrographs, an optional low magnification pole-piece providing 500-70,000X should be used. It is noted that changing the pole-piece on the Model EMU-4C requires a break in the vacuum of the column that induces the danger of contamination which would very likely lead to the failure of the experiment. The National Bureau of Standards (NBS) advises in its memorandum dated September 23, 1976 that the magnification range without a break in vacuum or a pole-piece change and the better resolution of the article are pertinent to the applicant's intended purposes. NBS also advises that the magnification range and the guaranteed resolution of the domestic Model EMU-4C was not scientifically equivalent to that of the foreign article for the applicant's intended use at the time the article was ordered.

We, therefore, find that the Model EMU-4C was not of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used at the time the article was ordered.

The Department of Commerce knows of no other instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, which was being manufactured in the United States at the time the article was ordered.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,
Director,

Special Import Programs Division.

[FR Doc.76-30704 Filed 10-19-76;8:45 am]

LOYOLA U. STITCH SCHOOL OF MEDICINE

Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897) and the regulations issued thereunder as amended (15 CFR Part 301).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket Number: 76-00428. Applicant: Loyola University Stritch School of Medicine, Pharmacology Dept., 2160 South First Avenue, Maywood, Ill. 60153. Article: Peterfi-type micromanipulator. Manufacturer: Narishige Scientific Instruments, Japan. Intended use of article: The article is intended to be used to position electrodes to record from single cells to study the function of single cells in the myenteric plexus of small mammals (rats, guinea pigs, rabbits).

Comments: No comments have been received with respect to this application.

Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, is being manufactured in the United States.

Reasons: The foreign article provides eight specific adjustments, relative freedom from back-lash, right and left hand types, and compatibility with present equipment. The Department of Health, Education, and Welfare advises in its memorandum dated September 16, 1976 that (1) the capabilities of the article described above are pertinent to the applicant's intended uses and (2) it knows of no domestic instrument of equivalent scientific value to the foreign article for such purposes as the article is intended to be used.

The Department of Commerce knows of no other instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, which is being manufactured in the United States.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,
Director,

Special Import Programs Division.

[FR Doc.76-30705 Filed 10-19-76;8:45 am]

NORTH CAROLINA STATE UNIVERSITY

Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897) and the regulations issued thereunder as amended (15 CFR Part 301).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket Number: 76-00459. Applicant: North Carolina State University, Department of Geosciences, Withers Hall, P.O. Box 5966, Raleigh, N.C. 27607. Article: Buoy-mounted meteorological sensors with datalogger, Model DL-1 and sea proof case. Manufacturer: Aanderaa Instruments, Norway. Intended use of article: The article is intended to be used to measure the transverse component of the wind stress in nearshore and offshore

locations. Temperature, pressure, dew point, radiation and buoy orientation will also be measured as supporting information in calculating stress and in establishing general meteorological conditions above the water during the period of the experiment.

Comments: No comments have been received with respect to this application.

Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, is being manufactured in the United States.

Reasons: The foreign article provides unit compactness, (height 380 millimeters (mm) x 140 mm x 140 mm), data storage capacity (60,000 words), selection of sensors (dew point, wind speed, wind direction, temperature, air-pressure, radiation, and buoy orientation) and buoy installation. The National Bureau of Standards (NBS) advises in its memorandum dated September 29, 1976 that the capabilities described above are pertinent to the applicant's intended use. NBS also advises that it knows of no domestic instrument of equivalent scientific value to the foreign article for the applicant's intended use.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,

Director,

Special Import Programs Division.

[FR Doc.76-30707 Filed 10-19-76;8:45 am]

Domestic and International Business Administration

SUBCOMMITTEE ON EXPORT ADMINISTRATION OF THE PRESIDENT'S EXPORT COUNCIL

Revised Notice of Partially Closed Meeting

A notice published in the October 7, 1976, issue of the FEDERAL REGISTER (41 FR 44204), announced the plans of the Subcommittee on Export Administration of the President's Export Council to hold a partially closed meeting on October 26, 1976, at 9:30 a.m., in Room 4832, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C.

Revised notice is hereby given that the aforementioned meeting of the Subcommittee will commence at 9 a.m.

The agenda item numbered (3) in the October 7, 1976, notice has been replaced by discussion of Department of Defense activity in reviewing the findings and recommendations in the report of the Defense Science Board Task Force on Export of U.S. Technology. Agenda item (2) in the aforementioned notice has, in substance, been removed from the Agenda.

EDWARD H. STROH,
Acting Deputy Assistant
Secretary for East-West Trade.

OCTOBER 14, 1976.

[FR Doc.76-30744 Filed 10-19-76;8:45 am]

UNIVERSITY OF ROCHESTER

Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897) and the regulations issued thereunder as amended (15 CFR Part 301).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket Number: 76-00427. Applicant: University of Rochester, Rochester, N.Y. 14627. Article: Carbon Dioxide Laser, Model TEA-103-1 and accessories. Manufacturer: Lumonics Research Ltd., Canada. Intended use of article: The article is intended to be used for studies to discover new lasers, or techniques of up-conversion of CO₂ lasers into a region where they are more suitable for laser-fusion purposes. Experiments will include the following: (a) Intradiation of C₂H₂ to determine spectrum of emitted light. (b) Irradiation of CH₃-CN to determine whether inversion achievable. (c) Irradiation of SF₆ to achieve efficient dissociation.

Comments: No comments have been received with respect to this application.

Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, is being manufactured in the United States.

Reasons: The foreign article provides a high power level (15 joules at 10.6 microns and 8 joules line tuned). The National Bureau of Standards (NBS) advises in its memorandum dated September 24, 1976 that the specification of the article described above is pertinent to the applicant's intended purposes. NBS also advises that it knows of no domestic instrument of equivalent scientific value to the foreign article for the applicant's intended use.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,

Director,

Special Import Programs Division.

[FR Doc.76-30706 Filed 10-19-76;8:45 am]

YERKES RESEARCH CENTER

Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897) and the regulations issued thereunder as amended (15 CFR Part 301).

A copy of the record pertaining to this decision is available for public review

during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket Number: 76-00425. Applicant: Yerkes Regional Primate Research Center of Emory University, Emory University, 954 North Gatewood Road, Atlanta, Ga. 30322. Article: Electron Microscope, Model EM 9S-2, including spare parts and accessories. Manufacturer: Carl Zeiss, West Germany. Intended use of article: The article is intended to be used in an interdisciplinary program of primate research in which the brains of monkeys and apes will be prepared for electron microscopy using standard neuroanatomical techniques. The current objective is to elucidate the anatomical substrate underlying the physiological phenomena of vision. The article will also be used for the training of medical and graduate students at the Center, as well as, for post-graduate education.

Comments: No comments have been received with respect to this application.

Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, was being manufactured in the United States at the time Customs received this application (May 28, 1976).

Reasons: The foreign article provides low distortion magnifications from 140 to 60,000X. The domestic instrument available at the time Customs received this application was Adam David Company's (AD) Model EMU-4C which provides low distortion magnification at 500X and higher. The Department of Health, Education, and Welfare (HEW) advises in its memorandum dated September 16, 1976 that the low distortion low magnification capabilities available specifically in the article are pertinent to the purposes for which the foreign article is intended to be used. HEW also advises that the EMU-4C did not have equivalent low magnification. Furthermore, HEW advises that AD's Model PA-1 was in a development stage at the time Customs received this application. In this regard, it is noted that a prototype of the PA-1 was first shown by AD in November, 1974. Neither the Department of Commerce nor its consultants have been able to determine or verify the capabilities of the PA-1 as of the date of this decision. Thus, the Department does not have a sufficient basis for ruling that AD was able to supply the PA-1 within a normal delivery time at the time Customs received this application. We, therefore, find that the Model EMU-4C was not of equivalent scientific value to the foreign article for such purposes as this article is intended to be used at the time Customs received this application.

The Department of Commerce knows of no other instrument or apparatus of equivalent scientific value to the foreign article for such purposes as this article is intended to be used, which was being manufactured in the United States at the time Customs received this application.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,
Director,
Special Import Programs Division.

[FR Doc. 76-30708 Filed 10-19-76; 8:45 am]

National Oceanic and Atmospheric Administration

DIRECTOR, NATIONAL MARINE FISHERIES SERVICE

Delegation of Certain Functions of the Marine Mammal Protection Act

The delegation of authority to exercise functions under the Marine Mammal Protection Act of 1972 (16 USC 1361 *et seq.*), published in the FEDERAL REGISTER of February 22, 1973 (38 FR 4763), is amended to permit the Director, National Marine Fisheries Service, to redelegate the authorities delegated to him under that Act and to make clear the retention by the Administrator of the National Oceanic and Atmospheric Administration of authority to provide policy guidance and to consult with the Director on the execution of the functions delegated. The amendment changes paragraph 1 of that delegation to read as follows:

1. The Director, National Marine Fisheries Service, is hereby redelegated, with the right to further delegate authority to perform the functions under the Marine Mammal Protection Act of 1972 (16 USC 1361 *et seq.*), delegated to me by the Secretary of Commerce by section 3.01v of Department Organization Order 25-5A. This redelegation includes, but is not limited to, waiving of the moratorium, adoption of regulations, and the preparation and signing of all necessary forms, permits, agreements, and exemptions. In the absence of the Director, NMFS, this authority may be exercised by the Acting Director, NMFS. The Administrator, National Oceanic and Atmospheric Administration, reserves the authority to provide general policy guidance to the Director and from time to time in the Administrator's discretion (on his initiative or at the request of the Director) to consult with and advise the Director concerning the execution of the functions delegated in this paragraph.

ROBERT M. WHITE,
Administrator.

OCTOBER 13, 1976.

[FR Doc. 76-30753 Filed 10-19-76; 8:45 am]

National Technical Information Service GOVERNMENT-OWNED INVENTIONS

Availability for Licensing

The inventions listed below are owned by the U.S. Government and are available for U.S. and possibly foreign licensing, in accordance with the policies of the agency sponsors.

Copies of the patents cited are available from the Commissioner of Patents and Trademarks, Washington, D.C.

20231, for \$50 each. Requests for copies of patents must include the patent number.

Copies of the patent applications, either paper copy (PC) or microfiche (MF), can be purchased at the prices cited from the National Technical Information Service (NTIS), Springfield, Virginia 22161. Requests for copies of patent applications must include the PAT-APPL number. Claims are deleted from patent application copies sold to the public to avoid premature disclosure in the event of an interference before the Patent and Trademark Office. Claims and other technical data will usually be made available to serious prospective licensees by the agency which filed the case.

Requests for licensing information on a particular invention should be directed to the address cited for the agency-sponsor.

DOUGLAS J. CAMPION,
Patent Program Coordinator.

U.S. DEPARTMENT OF THE AIR FORCE, AF/JACP,
Washington, D.C. 20314.

Patent application 456,570: Jet Tab Steerable Missile; filed 26 March 1974; PC \$3.50/MF \$3.00.

Patent application 631,281: Testing Apparatus for Incremental Shaft Encoder; filed 12 November 1975; PC \$3.50/MF \$3.00.

Patent application 678,321: Method of Determining Ionospheric Reflection Height; filed 19 April 1976; PC \$3.50/MF \$3.00.

Patent application 678,322: Engine Mounting Tension Tie System; filed 19 April 1976; PC \$3.50/MF \$3.00.

Patent application 678,516: Metallic Grating Spatial Filter for Directional Beam Forming Antenna; filed 19 April 1976; PC \$3.50/MF \$3.00.

U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, National Institutes of Health, Chief, Patent Branch, Westwood Bldg., Bethesda, Md. 20014.

Patent application 692,913: Chromogenic Diagnostic Test for Niemann-Pick Disease and Sphingomyelinase-Specific Chromogenic Artificial Substrate for Use Therein; filed 4 June 1976; PC \$3.50/MF \$3.00.

Patent 3,960,828: Catalytic Hydrogenolysis of Protected Sulfur Containing Peptides; filed 20 March 1974; patented 1 June 1976; not available NTIS.

U.S. DEPARTMENT OF THE NAVY, Assistant Chief for Patents, Office of Naval Research, Code 302, Arlington, Va. 22217.

Patent application 652,035: A Parachute Attachment Swivel; filed 26 January 1976; PC \$3.50/MF \$3.00.

Patent application 660,308: Autopilot Hard-over Failure Protection System; filed 23 February 1976; PC \$4.00/MF \$3.00.

Patent application 660,604: Timed Missile Flight Termination System; filed 23 February 1976; PC \$3.50/MF \$3.00.

Patent application 664,714: Deployable Rotor; filed 8 March 1976; PC \$3.50/MF \$3.00.

Patent application 674,716: Adaptive Direction of Arrival Antennae System; filed 8 April 1976; PC \$4.00/MF \$3.00.

Patent application 677,191: An Electronically Variable Surface Acoustic Wave Phase Shifter; filed 15 April 1976; PC \$3.50/MF \$3.00.

Patent application 678,572: Soluble Binders for Plastic Bonded Explosives and Propellants; filed 20 April 1976; PC \$3.50/MF \$3.00.

Patent application 681,665: Solid State Step Transmitter; filed 27 April 1976; PC \$3.50/MF \$3.00.

Patent application 681,964: Capacitance Transducer for the Measurement of Bending Strains at Elevated Temperatures; filed 30 April 1976; PC \$3.50/MF \$3.00.

Patent 3,886,351: Optical-to-Electronic Interface Circuit; filed 11 March 1974; patented 27 May 1975; not available NTIS.

Patent 3,887,151: Apparatus and Method for Controlling the Inflation Time and Applied Snatch Forces on a Parachute; filed 28 November 1973; patented 3 June 1975; not available NTIS.

Patent 3,916,416: 360 Degrees Azimuth Scanning Antenna Without Rotating RF Joints; filed 24 September 1974; patented 28 October 1975; not available NTIS.

Patent 3,921,174: Digital Tracking Range Unit; filed 20 December 1963; patented 18 November 1975; not available NTIS.

Patent 3,925,733: Maximum Pulse Density Detector; filed 24 May 1974; patented 9 December 1975; not available NTIS.

Patent 3,935,381: Electronic Solid State Sensor Image Size Control; filed 24 June 1974; patented 27 January 1976; not available NTIS.

Patent 3,938,443: Logic Module; filed 17 June 1974; patented 17 February 1976; not available NTIS.

Patent 3,938,444: Flare Cartridge; filed 5 July 1974; patented 17 February 1976; not available NTIS.

Patent 3,938,465: Signal Device; filed 26 March 1974; patented 17 February 1976; not available NTIS.

Patent 3,939,462: Dopplerizing a Signal of Varying Frequency; filed 28 December 1966; patented 17 February 1976; not available NTIS.

Patent 3,939,463: Acoustic Transponder Navigation System; filed 5 February 1964; patented 17 February 1976; not available NTIS.

Patent 3,939,475: Method of Measuring Range with Large Bistatic Angle Radar; filed 11 October 1974; patented 17 February 1976; not available NTIS.

Patent 3,939,770: Short Range Passive Electromagnetic Detector; filed 22 December 1971; patented 24 February 1976; not available NTIS.

Patent 3,940,059: Method of Fog Dispersion; filed 4 June 1971; patented 24 February 1976; not available NTIS.

Patent 3,940,443: Fuel-Air Explosive Bomb-Let; filed 14 July 1965; patented 24 February 1976; not available NTIS.

Patent 3,940,605: Chemiluminescent Marker Apparatus; filed 18 December 1974; patented 24 February 1976; not available NTIS.

Patent 3,940,766: Range and Angle Discriminator for Leading Edge Radar Tracking; filed 5 April 1973; patented 24 February 1976; not available NTIS.

Patent 3,940,768: Precise Pulse Repetition Frequency Measuring Device and Signal Sorter; filed 7 January 1969; patented 24 February 1976; not available NTIS.

Patent 3,942,179: Filtered-Noise Jammer; filed 18 October 1968; patented 2 March 1976; not available NTIS.

Patent 3,942,444: Variable Energy Explosive Driver; filed 3 September 1974; patented 9 March 1976; not available NTIS.

Patent 3,943,277: Digital Memory Area Correlation Tracker; filed 20 February 1969; patented 9 March 1976; not available NTIS.

Patent 3,943,514: Dual Base Line Interferometer Antenna; filed 23 November 1970; patented 9 March 1976; not available NTIS.

Patent 3,943,708: Two Area Rocket Nozzle; filed 26 November 1973; patented 16 March 1976; not available NTIS.

Patent 3,944,871: Self-Optimizing RF Signal Detection and Panoramic Display Apparatus; filed 14 August 1970; patented 16 March 1976; not available NTIS.

Patent 3,945,295: Solenoid; filed 10 June 1974; patented 23 March 1976; not available NTIS.

Patent 3,946,383: Monopulse Pulse Width Discriminator; filed 22 June 1970; patented 23 March 1976; not available NTIS.

Patent 3,946,607: Apparatus for Measuring Chamber Pressure; filed 25 July 1975; patented 30 March 1976; not available NTIS.

Patent 3,946,673: Pyrophoric Penetrator; filed 5 April 1974, patented 30 March 1976; not available NTIS.

Patent 3,947,770: Broadband Omnidirectional RF Field Intensity Indicating Device; filed 12 July 1974; patented 30 March 1976; not available NTIS.

Patent 3,947,802: Omnidirectional Low Noise Piezoelectric Transducer; filed 12 June 1972; patented 30 March 1976; not available NTIS.

Patent 3,947,847: Radar System; filed 24 March 1969; patented 30 March 1976; not available NTIS.

Patent 3,949,396: Fast Scan Multimode Radar; filed 25 February 1975; patented 6 April 1976; not available NTIS.

Patent 3,949,955: Monopulse Receiver Circuit for an Anti-Radar Missile Tracking System. Filed 4 April 1963; patented 13 April 1976; not available NTIS.

Patent 3,951,426: Brake System for Cart; filed 23 July 1975; patented 20 April 1976; not available NTIS.

Patent 3,955,146: Circuit for Coupling an Antenna to a Load; filed 30 June 1972; patented 4 May 1976; not available NTIS.

Patent 3,955,199: Method of and Apparatus for Ground Testing Doppler Navigation Sets—A Doppler Radar Simulator; filed 21 August 1974; patented 4 May 1976; not available NTIS.

Patent 3,960,088: Case Bonding Composite for Double Base Propellants; filed 26 February 1970; patented 1 June 1976; not available NTIS.

Patent 3,961,998: Vacuum Deposition Method for Fabricating an Epitaxial PnSnTe Rectifying Metal Semiconductor Contact Photodetector; filed 9 April 1975; patented 8 June 1976; not available NTIS.

Patent 3,962,382: Process for Forming a Pourable Plastisol Nitrocellulose Slurry; filed 27 August 1974; patented 8 June 1976; not available NTIS.

[FR Doc. 76-30762 Filed 10-19-76; 8:45 am]

GOVERNMENT-OWNED INVENTIONS

Availability for Licensing

The inventions listed below are owned by the U.S. Government and are available for U.S. and possibly foreign licensing, in accordance with the policies of the agency sponsors.

Copies of the patents cited are available from the Commissioner of Patents and Trademarks, Washington, D.C. 20231, for \$.50 each. Requests for copies of patents must include the patent number.

Copies of the patent applications, either paper copy (PC) or microfiche (MF), can be purchased at the prices cited from the National Technical Information Service (NTIS), Springfield, Virginia 22161. Requests for copies of patent applications must include the PAT-APPL number. Claims are deleted from patent application copies sold to the public to avoid premature disclosure in

the event of an interference before the Patent and Trademark Office. Claims and other technical data will usually be made available to serious prospective licensees by the agency which filed the case.

Requests for licensing information on a particular invention should be directed to the address cited for the agency-sponsor.

DOUGLAS J. CAMPION,
Patent Program Coordinator.

U.S. DEPARTMENT OF THE AIR FORCE, AF/JACP, Washington, D.C. 20314.

Patent application 274,541: Pulsed Laser System; filed 25 July 1972, PC \$3.50/MF \$2.25.

Patent application 669,542: Mosaic Infrared Sensor; filed 23 March 1976, PC \$3.50/MF \$2.25.

Patent application 670,648: Waveform Sampler; filed 25 March 1976, PC \$4.00/MF \$2.25.

Patent application 678,323: Vapor Concentration Control System for Vapor Diazo Processors; filed 19 April 1976, PC \$3.50/MF \$2.25.

Patent application 678,324: Thermally Stable, Highly Fused Imide Compositions; filed 19 April 1976, PC \$3.50/MF \$2.25.

Patent application 678,325: Phenylethynyl Substituted Aromatic Diamines; filed 19 April 1976, PC \$3.50/MF \$2.25.

Patent application 678,517: Tapered Crystal for Laser Modulator; filed 19 April 1976, PC \$3.50/MF \$2.25.

Patent application 679,253: Random Action Event Switching Method and Apparatus for a Multiple Input Data Processing System; filed 21 April 1976; PC \$3.50/MF \$2.25.

Patent application 679,267: Supersonic Spark Gap Switch; filed 22 April 1976, PC \$3.50/MF \$2.25.

Patent application 679,268: Acoustic Surface Wave Bubble Switch; filed 22 April 1976, PC \$3.50/MF \$2.25.

Patent application 679,410: Aircraft Conveyor Load Redistribution System; filed 22 April 1976, PC \$3.50/MF \$2.25.

U.S. DEPARTMENT OF TRANSPORTATION, Patent Counsel, 400 7th Street, SW, Washington, DC 20590.

Patent 3,963,202: Grade-Crossing Motorist Warning System; filed 3 March 1975, patented 15 June 1976; not available NTIS.

U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, National Institutes of Health, Chief, Patent Branch, Westwood Bldg., Bethesda, MD 20014.

Patent application 694,396: Dialysis Solution Handling Device; filed 9 June 1976; PC \$3.50/MF \$2.25.

U.S. DEPARTMENT OF THE INTERIOR, Branch of Patents, 18th and C Streets, NW, Washington, DC 20240.

Patent 3,958,637: Technique for Lining Shaft; filed 22 May 1975; patented 25 May 1976; not available NTIS.

Patent 3,958,644: Pressure Sensitive Explosion Barrier; filed 2 July 1975, patented 25 May 1976; not available NTIS.

Patent 3,960,217: Passive Explosion Barrier; filed 14 October 1975, patented 1 June 1976; not available NTIS.

U.S. DEPARTMENT OF THE NAVY, Assistant Chief for Patents, Office of Naval Research, Code 302, Arlington, VA 22217.

Patent application 587,515: Inflatable Roadway; filed 16 June 1975; PC \$3.50/MF \$2.25.

Patent application 672,195: An Acousto-Optic Q-Switch; filed 31 March 1975; PC \$3.50/MF \$2.25.

Patent application 673,180: Acousto-Optical Transducer; filed 2 April 1976; PC \$3.50/MF \$2.25.

Patent application 673,339: Method for Making Beam Leads for Ceramic Substrates; filed 2 April 1976; PC \$3.50/MF \$2.25.

Patent application 674,999: Determination of Thermal Impedances of Bonding Layers in Infrared Photoconductors; filed 8 April 1976; PC \$3.50/MF \$2.25.

Patent application 676,018: Projectile Power Generator; filed 12 April 1976, PC \$3.50/MF \$2.25.

Patent application 677,182: A Method for Closing Elastomeric Tubes in the Walls of Fluid-Filled Vessels; filed 15 April 1976; PC \$3.50/MF \$2.25.

Patent application 677,198: Gas Laser Starting; filed 15 April 1976, PC \$3.50/MF \$2.25.

Patent application 678,264: Improved Metal Vapor Laser Tube; filed 19 April 1976; PC \$3.50/MF \$2.25.

Patent application 679,310: Fiber Optics Grinding and Polishing Disc; filed 22 April 1976; PC \$3.50/MF \$2.25.

Patent 3,909,113: Optical Coupler; filed 1 May 1974; patented 30 September 1975; not available NTIS.

Patent 3,918,794: Liquid Crystal Optical Switch Coupler; filed 29 November 1974, patented 11 November 1975; not available NTIS.

Patent 3,920,476: Electrode Gap Control for Electro Chemical Batteries and Heat Generation Systems; filed 19 September 1974, patented 18 November 1975; not available NTIS.

Patent 3,920,608: Fire Retardant Polyester Resins; filed 19 June 1974, patented 18 November 1975; not available NTIS.

Patent 3,920,616: Alkoxy Derivatives of Hexachlorophosphonitrile Cyclic Trimer; filed 19 June 1974; patented 18 November 1975; not available NTIS.

Patent 3,923,377: High Angle Optical Ray Separator; filed 29 November 1974, patented 2 December 1975; not available NTIS.

Patent 3,926,562: Vertical Tube Combustion Reactor; filed 23 August 1974; patented 16 December 1975; not available NTIS.

Patent 3,926,684: High Critical Current Superconductors and Preparation Thereof; filed 25 November 1974; patented 16 December 1975; not available NTIS.

Patent 3,927,033: Lasing Dye and Method of Preparation; filed 25 November 1974; patented 16 December 1975; not available NTIS.

Patent 3,927,147: Haloalkoxy Derivatives of the Cyclophosphonitrilic Chloride-Hexamethylphosphoramide Adduct; filed 25 January 1974; patented 16 December 1975; not available NTIS.

Patent 3,927,391: Technique for Ranking Data Observations; filed 25 March 1975; patented 16 December 1975; not available NTIS.

Patent 3,929,015: Line Motion and Water Current Disc Sensor; filed 30 April 1975; patented 30 December 1975; not available NTIS.

Patent 3,931,550: Electronic Latching Relay Control; filed 25 November 1974; patented 6 January 1976; not available NTIS.

Patent 3,933,410: Optical Connector with Single Scrambling Volume; filed 29 November 1974; patented 20 January 1976; not available NTIS.

Patent 3,933,738: Flame Retardant Adduct of Cyclophosphonitrilic Chloride and Hexamethylphosphoramide, filed 23 May 1975, patented 20 January 1976; not available NTIS.

Patent 3,934,165: Proportional Counter End Effects Eliminator. Filed 25 October 1974; patented 20 January 1976; not available NTIS.

Patent 3,936,141: Multiple Optical Connector; filed 29 November 1974; patented 3 February 1976; not available NTIS.

Patent 3,936,144: Frequency Selective Optical Coupler; filed 12 December 1974; patented 3 February 1976; not available NTIS.

Patent 3,937,557: Star Coupler for Single Mode Fiber Communication Systems; filed 29 November 1974; patented 10 February 1976; not available NTIS.

Patent 3,937,560: Single Fiber Access Coupler; filed 29 November 1974; patented 10 February 1976; not available NTIS.

Patent 3,937,561: Liquid Crystal Optical Image Attenuator; filed 2 December 1974; patented 10 February 1976; not available NTIS.

Patent 3,937,979: Photoparametric Amplifying Upconverter; filed 7 December 1973; patented 10 February 1976; not available NTIS.

Patent 3,938,153: Sidelobe Canceller System; filed 16 August 1974; patented 10 February 1976; not available NTIS.

Patent 3,938,154: Modified Sidelobe Canceller System; filed 16 August 1974; patented 10 February 1976; not available NTIS.

[FR Doc.76-30763 Filed 10-19-76;8:45 am]

TECHNICAL INFORMATION PRODUCTS AND SERVICES

Australia

The National Technical Information Service of the U.S. Department of Commerce requests that parties interested in managing the sales of its technical information products and services in Australia make their interest known to the NTIS Assistant Director, Market Development, NTIS, 5285 Port Royal Road, Springfield, Virginia 22161.

Approval: October 15, 1976.

DEAN SMITH,
Assistant Director
Market Development.

WILLIAM T. KNOX,
Director.

[FR Doc.76-30764 Filed 10-19-76;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of the Assistant Secretary for Health
NATIONAL COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

Meeting

Notice is hereby given that the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research will meet on November 13 and 14, 1976, in the Riviera Room of the Bellevue Hotel, 505 Geary Street, San Francisco, California 94102. The meeting will convene at 9:00 a.m. each day and will be open to the public, subject to the limitations of available space.

Topics identified in the mandate to the Commission under the National Research Act (Pub. L. 93-348), as amended, and the Health Research and Health Services Amendments of 1976 (Pub. L. 94-

278), including psychosurgery, the participation of children and the institutionalized mentally infirm in research, the performance of Institutional Review Boards, the application of research guidelines to the delivery of health services by DHEW, and disclosure of research information, will be the agenda for this meeting.

In accordance with the provisions of 5 U.S.C. 552(b) (6) and section 10(d) of Pub. L. 92-463, the meeting will be closed to the public from 5 p.m. to 6 p.m. on November 13, 1976 for the discussion of internal personnel matters, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Requests for information should be directed to Ms. Anne Ballard, (301-496-7776), Room 125, Westwood Building, 5333 Westbard Avenue, Bethesda, Maryland 20816. From November 11 through 14, Ms. Ballard may be reached at the Bellevue Hotel in San Francisco, California (415-474-3600).

Dated: October 14, 1976.

CHARLES U. LOWE,
Executive Director, National
Commission for the Protection
of Human Subjects of
Biomedical and Behavioral
Research.

[FR Doc.76-30839 Filed 10-19-76;8:45 am]

Office of Education

SPECIFIC LEARNING DISABILITIES

Closing Date for Receipt of Applications

Notice is hereby given that pursuant to the authority contained in section 661 of the Education of the Handicapped Act (20 U.S.C. 1461), the U.S. Commissioner of Education has established a final closing date of December 9, 1976 for receipt of applications for new Model Demonstration Centers Projects.

The amount of funds expected to be available to the Specific Learning Disabilities Program is \$9,000,000 during Fiscal Year 1977. There is no fixed level of funding or number of grants projected. However, approximately ten first year and forty second year continuation projects are expected to be funded. The funding level for each operation year has, in the past, averaged between \$80,000 and \$120,000. Additionally, funds will also be made available for technical assistance support to funded projects.

Projects approved for funding under this program will be for a three-year period with annual review of progress. Continuation of funding for the second year of the project will depend upon satisfactory performance by the grantee as reviewed by the funding agency and availability of funds. The funding level and distribution of project funds are predicated upon the allotment of funds and may vary according to the final appropriation made available during a specific fiscal year.

Applications must be received by the U.S. Office of Education Application Control Center on or before the aforementioned date.

A. *Applications sent by mail.* An application sent by mail should be addressed as follows: U.S. Office of Education, Application Control Center, Grants and Procurement Management Division, 400 Maryland Avenue, SW., Washington, D.C. 20202, Attention: 13.520. An application sent by mail will be considered to be received on time by the Application Control Center if:

(1) The application was sent by registered or certified mail not later than December 6, 1976, as evidenced by the U.S. Postal Service postmark on the wrapper or envelope, or on the original receipt from the U.S. Postal Service; or

(2) The application is received on or before the closing date by either the Department of Health, Education, and Welfare, or the U.S. Office of Education mail rooms in Washington, D.C. In establishing the date of receipt, the Commissioner will rely on the time-date stamp of such mail rooms or other documentary evidence of receipt maintained by the Department of Health, Education, and Welfare, or the U.S. Office of Education.

B. *Hand delivered applications.* An application to be hand delivered must be delivered to the U.S. Office of Education, Application Control Center, Room 5673 Regional Office Building Three, 7th and D Streets SW., Washington, D.C. Hand delivered applications will be accepted daily between the hours of 8:00 a.m. and 4:00 p.m. Washington, D.C. time except Saturdays, Sundays, or Federal holidays. Applications will not be accepted by the Application Control Center after 4:00 p.m., Washington, D.C. time on the closing date.

C. *Program information and forms.* Information and applications may be obtained from the Division of Innovation and Development, Bureau of Education for the Handicapped, U.S. Office of Education, 400 Maryland Avenue, SW., Washington, D.C. 20202.

D. *Applicable regulations.* The regulations applicable to this program include the Office of Education General Provisions Regulations (45 CFR Parts 100 and 100a) and the program regulations (45 CFR Parts 121, 121j) published in the FEDERAL REGISTER on February 20, 1975 at 40 FR 7428.

(20 U.S.C. 1461.)

(Catalog of Federal Domestic Assistance No. 13.520, Special Program for Children With Specific Learning Disabilities.)

Dated: October 14, 1976.

WILLIAM F. PIERCE,
Acting U.S. Commissioner
of Education.

[FR Doc.76-30766 Filed 10-19-76;8:45 am]

Social and Rehabilitation Service CHILD WELFARE SERVICES

Promulgation of Federal Shares and Allotment Percentages for Fiscal Years 1978 and 1979

The purpose of this notice is to promulgate the Federal shares and allotment percentages for fiscal years 1978 and 1979 for purposes of child welfare

services under Title IV, Part B of the Social Security Act, for each of the 50 States, Puerto Rico, the District of Columbia, the Virgin Islands and Guam, as specified in said Act, or as determined pursuant thereto, on the basis of the per capita income data specified therein.

The basis is section 423(a), (b), and (c) of Title IV, Part B of the Social Security Act (42 U.S.C. 623 (a), (b), and (c)).

The Federal shares and allotment percentages are as set forth below:

State	Federal share	Allotment percentage
Alabama	60.97	60.97
Alaska	33.54	31.58
Arizona	53.34	53.34
Arkansas	60.60	60.60
California	44.70	44.70
Colorado	49.29	49.29
Connecticut	41.02	41.02
Delaware	42.57	42.57
District of Columbia	35.50	35.50
Florida	50.87	50.87
Georgia	56.42	56.42
Guam	60.95	70.00
Hawaii	44.52	44.52
Idaho	55.02	55.02
Illinois	42.79	42.79
Indiana	51.62	51.62
Iowa	48.34	48.34
Kansas	48.55	48.55
Kentucky	58.98	58.98
Louisiana	59.48	59.48
Maine	59.00	59.00
Maryland	45.55	45.55
Massachusetts	48.16	48.16
Michigan	46.68	46.68
Minnesota	50.15	50.15
Mississippi	65.11	65.11
Missouri	53.25	53.25
Montana	53.51	53.51
Nebraska	49.15	49.15
Nevada	43.58	43.58
New Hampshire	54.57	54.57
New Jersey	43.17	43.17
New Mexico	60.45	60.45
New York	44.21	44.21
North Carolina	57.71	57.71
North Dakota	47.67	47.67
Ohio	50.26	50.26
Oklahoma	56.17	56.17
Oregon	51.29	51.29
Pennsylvania	50.06	50.06
Puerto Rico	66.95	70.00
Rhode Island	51.12	51.12
South Carolina	60.51	60.51
South Dakota	55.16	55.16
Tennessee	58.42	58.42
Texas	53.25	53.25
Utah	58.49	58.49
Vermont	57.85	57.85
Virgin Islands	60.95	70.00
Virginia	51.13	51.13
Washington	48.17	48.17
West Virginia	59.28	59.28
Wisconsin	52.00	52.00
Wyoming	49.14	49.14

Dated: October 14, 1976.

ROBERT FULTON,
Administrator, Social and
Rehabilitation Service.

[FR Doc. 76-30644 Filed 10-19-76; 8:45 am]

Social and Rehabilitation Service

STATE ASSISTANCE EXPENDITURES

Promulgation of Federal Percentages and Federal Medical Assistance Percentages

Correction

In FR Doc. 76-29871, appearing at page 44879 in the issue of Wednesday, October 13, 1976, on page 44880, in the first column of the State table on "Federal percentages" for the State of New Hamp-

shire, the second column across, reading: "62.58", should read: "62.85".

Social Security Administration

PROGRAM REVIEW TEAMS

Establishment

The Social Security Administration announces the establishment by the Secretary of Health, Education, and Welfare, on April 16, 1976, in accordance with section 1862(d) of the Social Security Act, as added by section 229 of Pub. L. 92-603, the Social Security Amendments of 1972 (42 U.S.C. 1395y(d)), and the Federal Advisory Committee Act, (5 U.S.C. App. I), the following advisory committees:

Designation. Ten program review teams, one for each of the following States: Massachusetts, New York, Pennsylvania, Florida, Michigan, Arkansas, Kansas, Utah, California, and Washington.

Purpose. The teams shall, pursuant to section 1862(d) of the Social Security Act and § 405.315b of Title 20 of the Code of Federal Regulations:

1. Undertake to review such statistical data on program utilization as may be submitted by the Social Security Administration;

2. Submit to the Social Security Administration upon request, but at least annually, a report on the results of such review, together with recommendation with respect thereto;

3. Undertake to review particular cases where there is a likelihood that the provider or other person furnishing items and services either has submitted or caused to be submitted bills or requests for payment under title XVIII of the Social Security Act containing charges (or in applicable cases requests for payments of costs to such person) substantially in excess of such person's customary charges (or in applicable cases substantially in excess of such person's costs) for such services, or has furnished services or supplies which may be substantially in excess of the needs of individuals, or harmful to individuals, or of a grossly inferior quality;

4. Submit to the Social Security Administration upon request, but at least annually, a report of cases reviewed pursuant to the preceding paragraph along with an analysis of, and recommendations with respect to, such cases.

When the program review teams are performing the functions of paragraphs (1) and (2) above, they function as advisory committees and operate under the provisions of the Federal Advisory Committee Act. When they are performing the adjudicative functions of paragraphs (3) and (4) above, they are not subject to the provisions of the Federal Advisory Committee Act. (See 20 CFR 405.315b.)

Authority for these teams was established by statute which assigned them functions which are of a continuing nature. Therefore, their duration is not governed by the termination provisions of section 14(a) of the Federal Advisory

Committee Act but is "otherwise provided for by law." A charter will be filed every 2 years in accordance with section 14(b) (2) of that Act.

(Catalog of Federal Domestic Assistance Program Number 13.800 and 13.801, Health Insurance for the Aged-Hospital Insurance and Supplementary Medical Insurance.)

Dated: October 15, 1976.

THOMAS M. TIERNEY,
Director, Bureau of
Health Insurance.

[FR Doc. 76-30776 Filed 10-19-76; 8:45 am]

CIVIL AERONAUTICS BOARD

[Docket No. 28173]

ALLEGHENY AIRLINES, INC.

Change in Hearing Date Regarding Subpart M Application (Buffalo-St. Louis)

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that hearing in the above-entitled matter, now assigned to be held on November 3, 1976 (41 FR 44881, October 13, 1976), is hereby reassigned to November 4, 1976 at 9:30 a.m. (local time), in Room 1003, Hearing Room D, Universal North Building, 1875 Connecticut Avenue, N.W., Washington, D.C.

Dated at Washington, D.C., on October 13, 1976.

WILLIAM J. MADDEN,
Administrative Law Judge.

[FR Doc. 76-30793 Filed 10-19-76; 8:45 am]

[Docket No. 27573; Order 76-10-18]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order Regarding Cargo Rate Matters

Issued under delegated authority October 4, 1976.

An agreement has been filed with the Board pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations between various air carriers, foreign air carriers, and other carriers embodied in the resolutions of the Joint Traffic Conferences of the International Air Transport Association (IATA). The agreement, adopted by mail vote, has been assigned the above C.A.B. agreement number.

The agreement would amend the resolution establishing bulk unitization charges to/from Europe over the South Atlantic by including Vienna among the points which would receive such service. Consistent with our prior approval, we will approve the agreement insofar as the charges established under this resolution are combinable with charges to/from the United States and thus have indirect application in air transportation as defined by the Act.

Pursuant to authority duly delegated by the Board in the Board's Regulations 14 CFR 385.14, it is not found that Resolution JT12 (Mail 56) 534c which is in-

corporated in Agreement C.A.B. 26141, and which has indirect application in air transportation as defined by the Act, is adverse to the public interest or in violation of the Act.

Accordingly, it is ordered, That: Agreement C.A.B. 26141 be and hereby is approved.

Persons entitled to petition the Board for review of this order, pursuant to the Board's Regulations, 14 CFR 385.50, may file such petitions within ten days after the date of service of this order.

This order shall be effective and become the action of the Civil Aeronautics Board upon expiration of the above period, unless within such period a petition for review thereof is filed or the Board gives notice that it will review this order on its own motion.

This order will be published in the FEDERAL REGISTER.

PHYLLIS T. KAYLOR,
Secretary.

[FR Doc.76-30788 Filed 10-19-76; 8:45 am]

[Docket No. 27573; Order 76-10-17]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order Regarding Specific Commodity Rates

Issued under delegated authority, October 4, 1976.

An agreement has been filed with the Board pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations between various air carriers, foreign air carriers, and other carriers embodied in the resolutions of the Joint Traffic Conferences of the International Air Transport Association (IATA), and adopted pursuant to the provisions of Resolution 590 dealing with specific commodity rates.

The agreement names additional specific commodity rates as set forth below, reflecting reductions from general cargo rates, and was adopted pursuant to unprotested notices to the carriers and promulgated in IATA letter dated September 21, 1976.

Agreement CAB	Specific commodity item No.	Description and rate
26143:		
R-1.....	1102	Fur plates ¹ , 140 cents per kg, minimum weight 200 kgs, 121 cents per kg, minimum weight 500 kgs, from Athens to New York.
R-2.....	1980	Natural sponges, 161 cents per kg, minimum weight 100 kg, 139 cents per kg, minimum weight 200 kg, from Athens to New York.
R-3.....	2411	Shirts and blouses, 130 cents per kg, minimum weight 200 kg, from Nicosia to New York City.
R-4.....	8282	Phonograph records, 185 cents per kg, minimum weight 100 kg, 134 cents per kg, minimum weight 500 kg, 112 cents per kg, minimum weight 1,000 kg, from Athens to New York.
R-5.....	0482	Coconut meat, 51 cents per kg, minimum weight 5,000 kg, from Nandi to Honolulu.

¹ See applicable tariff for complete specific commodity description.

Pursuant to authority duly delegated by the Board in the Board's Regulations, 14 CFR 385.14, it is not found that the subject agreement is adverse to the public interest or in violation of the Act, provided that approval is subject to the conditions hereinafter ordered.

Accordingly, it is ordered, That: Agreement C.A.B. 26143, R-1 through R-5, is approved, provided that approval shall not constitute approval of the specific commodity descriptions contained therein for purposes of tariff publications: Provided further, That tariff filings shall be marked to become effective on not less than 30 days' notice from the date of filing.

Persons entitled to petition the Board for review of this order, pursuant to the Board's Regulations, 14 CFR 385.50, may file such petitions within ten days after the date of service of this order.

This order shall be effective and become the action of the Civil Aeronautics Board upon expiration of the above period, unless within such period a petition for review thereof is filed or the Board gives notice that it will review this order on its own motion.

This order will be published in the FEDERAL REGISTER.

PHYLLIS T. KAYLOR,
Secretary.

[FR Doc.76-30789 Filed 10-19-76; 8:45 am]

[Docket No. 29865; Order 76-10-57]

KOREAN AIR LINES CO., LTD.

Order of Suspension and Investigation Regarding North/Central Pacific Group Inclusive Tour Fares

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 1st day of October 1976.

By tariff revisions filed September 10, 1976, for effectiveness October 10, 1976, Korean Air Lines Co., Ltd. (KAL) proposes to reduce the minimum stay on currently effective U.S.-Far East 14/35-day group inclusive tour (GIT) fares from 14 to 7 days. In its justification for the filing, KAL asserts that Far East tours of 14 days or more based on this fare generally include a large number of cities, and several cities are visited within the overall tour even during a seven-day period; that many passengers become "exhausted" after only 7 days and would rather return home than continue touring; and that by making the tour shorter, and thus less exhausting and costly, more traffic will be generated.

Northwest Airlines, Inc. (Northwest) has filed a complaint requesting investigation and suspension of the filing. Northwest contends that the GIT fares, which reflect discounts of 30 to 40 percent from normal economy fares, will be highly diversionary if the proposed reduction in the minimum stay is permitted;

that past experience has shown that at least two weeks is desirable for trans-Pacific pleasure travel, since the average vacation traveler desires to visit as many locations as time will permit at a given fare;¹ and that existing Pacific excursion, individual inclusive tour, as well as GIT fares all require at least 14 days' stay, and for many years have been quite successful in developing pleasure travel.

In a telegraphic answer to the complaint, KAL alleges that the proposed 7/35-day GIT fare will not divert passengers from the normal economy fare due to the requirement for the purchase of land arrangements and the stipulation that all group members must travel together.

Upon consideration of the tariff filing, the complaint and all other relevant matters, the Board has concluded that the proposed fares may be unjust, unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful, and should be investigated. The Board further concludes that the fares should be suspended pending investigation.

Promotional fares for North/Central Pacific vacation travel have generally required a minimum stay of at least 14 days, and KAL has not provided sufficient justification for lowering this minimum to 7 days for the GIT fare. Even if KAL is correct in its allegation that many of its passengers become "exhausted" after 7 days, the solution is not necessarily a mere shortening of the minimum tour duration to 7 days. It appears likely that any exhaustion results from the fact that three or four cities are visited within a given 7-day period, regardless of the overall length of the tour. KAL's proposal would not alter this situation, but would merely lift a 7-day portion of tours presently encompassing 14 to 35 days. The passenger would still be faced with a succession of several cities and extended travel times within the proposed 7-day period and, in these circumstances, we fail to see how the passenger would materially benefit from the proposal.

Even assuming arguendo that the proposed fare might, as KAL alleges, generate more traffic due to the lower minimum stay and overall trip cost, we are not convinced that this would be economically viable considering the low level of the subject GIT fares. In the Los Angeles-Seoul market, for example, the GIT, which applies to groups of as few as 10 persons, is the lowest fare except, during the off-peak, when the restrictive group-75 affinity fare and the 30/90-day group-15 excursion fare, which is under investigation on grounds of reasonableness, are lower.

On a typical 7-day tour KAL, which cites as an example of how its proposed fare would be used (Los Angeles-Seoul-Taipei-Bangkok-Los Angeles), would realize yields per revenue passenger-mile (rpm) of 5.45 cents and 4.69 cents

¹ The complainant states that about 70 percent of its trans-Pacific GIT passengers stay at least 21 days.

over the shortest routing on its system during the peak and off-peak seasons, respectively. However, the most recent IATA Cost Committee Report shows a break-even cost of 7.06 cents per rpm for the year ended March '31, 1976, in North/Central Pacific passenger service for the six carriers reporting. It is highly unlikely that KAL's costs are significantly lower, and the economic logic of expanding usage of a fare so substantially below cost, with the added potential of diverting significant traffic from higher fare categories, is questionable at best.

Accordingly, pursuant to the Federal Aviation Act of 1958, as amended, and particularly sections 204(a), 403, 801, and 1002(j) thereof:

It is ordered, That: 1. An investigation be instituted to determine whether the 7-day minimum stay provision applicable to tours destined to points other than points in Alaska or Hawaii for Korean Air Lines Co., Ltd., when that carrier is "the carrier across the Pacific Ocean," in Paragraph 4.B.(1) of Rule 180, on 1st Revised Page 33 to Trans-Pacific Passenger Fares Tariff No. 1, C.A.B. No. 67, issued by Air Tariffs Corporation, Agent, and rules, regulations, or practices affecting such provision, are or will be unjust, unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful, and, if found to be unlawful, to take appropriate action to prevent the use of such rates and provisions and rules, regulations, or practices;

2. Pending hearing and decision by the Board, the tariff rules and provisions specified in paragraph 1 above are suspended and their use deferred from October 18, 1976, to and including October 17, 1977, unless otherwise ordered by the Board; and that no changes be made therein during the period of suspension except by order or special permission of the Board;

3. This order shall be submitted to the President* and shall become effective on October 15, 1976.

4. The investigation ordered herein be assigned for hearing before an administrative law judge of the Board at a time and place hereafter to be designated;

5. Copies of this order shall be filed in the aforesaid tariffs and served upon Korean Air Lines Co., Ltd. and Northwest Airlines, Inc.; and

6. Except to the extent granted herein, the complaint of Northwest Airlines, Inc., in Docket 29783, be and hereby is dismissed.

This order will be published in the **FEDERAL REGISTER**

By the Civil Aeronautics Board:

PHYLLIS T. KAYLOR,
Secretary.

[FR Doc. 76-30787 Filed 10-19-76; 8:45 am]

* This order was submitted to the President on October 4, 1976.

[Docket No. 29445; Order 76-10-61]

LAS VEGAS-DALLAS/FORT WORTH NONSTOP SERVICE INVESTIGATION

Order Regarding Public Convenience and Necessity Requirements

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 15th day of October 1976.

By Order 76-6-161, June 24, 1976, the Board instituted the "Las Vegas-Dallas/Fort Worth Nonstop Service Investigation," Docket 29445, to determine whether the public convenience and necessity require the certification of an air carrier or air carriers on a subsidy ineligible basis to engage in nonstop transportation between Las Vegas and Dallas/Ft. Worth. The Board consolidated the Las Vegas-Dallas/Ft. Worth applications of American Airlines, Inc., Braniff Airways, Inc., Continental Air Lines, Inc., and Texas International Airlines, Inc. On the other hand, the Board denied the various carrier and/or civic requests for consideration of additional authorizations in the Las Vegas-Albuquerque, Las Vegas-Houston, and Las Vegas-San Antonio/Midland/Odessa/Austin/El Paso markets.

Numerous petitions for reconsideration of the order of investigation have been filed. None of the petitions challenge examination of the Las Vegas-Dallas/Ft. Worth market. The petitions do, however, seek expansion of the issues to include consideration of additional authority in numerous additional markets.¹

In addition, two carriers (TWA and TXI) seek pretrial restrictions on through-plane service in certain markets.

Finally, Eastern and Airwest request consolidation of their Las Vegas-Dallas/Ft. Worth nonstop applications.

**REQUEST FOR EXPANSION OF THE ISSUES TO
INCLUDE ALBUQUERQUE AND THE TEXAS
CITIES OF HOUSTON, SAN ANTONIO, EL
PASO, MIDLAND/ODESSA, AND AUSTIN**

In the order of investigation, the Board considered and rejected inclusion of service issues relating to the Las Vegas-Albuquerque and the Las Vegas-Houston/San Antonio/El Paso/Midland/Odessa/Austin markets.

Several air carriers and cities plus Senator Howard Cannon, the New Mexico Congressional Delegation and certain members of the Texas Congressional Delegation have challenged the Board's conclusions. In essence, the petitioners claim that the excluded markets have sufficient traffic when considered singly or in combination to warrant inclusion in the case and that the markets are poorly served by existing carriers.

With respect to the Las Vegas-Albuquerque market, various petitioners contend that Frontier has not provided the Las Vegas-Albuquerque market with the competitive service (competitive with TWA) that the Board contemplated

¹ A brief description of the relief sought by the petitions for reconsideration and the answers thereto is set forth in the attached Appendix.

when it awarded Frontier that authority in 1969. The petitioners argue that the Las Vegas-Albuquerque market would generate more traffic if the competitive service contemplated by the Board were, in fact, provided. Frontier, one of the incumbent carriers, opposes inclusion of this market in the case essentially on the grounds that it will shortly improve the service in question.

With respect to the Las Vegas-Houston market, various petitioners challenge exclusion of that market. The substance of the petitions is that the Las Vegas-Houston market compares favorably in size to other markets which the Board has recently set for hearing (the Denver-Tulsa market, for example) and that the historic traffic in the Las Vegas-Houston market is understated because of National's strikes in 1974 and 1975. National, the incumbent nonstop carrier in this market, opposes inclusion of a Las Vegas-Houston issue on the grounds that its service is entirely responsive given the size of the market.

The Las Vegas-San Antonio/El Paso/Midland/Odessa/Austin markets do not have single-plane service. It is asserted that these Texas cities are forced to obtain their Las Vegas service by a backhaul two-carrier connection at Dallas/Ft. Worth. As a consequence, it is claimed that the historic traffic substantially understates the potential air travel between these cities and Las Vegas. Continental also contends that exclusion of these Texas markets from the case will not save any time because most of them will be included as interline connecting traffic for Dallas/Ft. Worth and will be proffered by carrier applicants as beyond area benefits.

The Bureau opposes any expansion of this case. With particular respect to the Texas cities which lack single-plane service to Las Vegas, the Bureau says that the markets are of insufficient size to warrant a hearing and that there are other applications pending which hold promise of greater public benefits.

**EASTERN'S REQUEST FOR EXPANSION OF
THE CASE TO INCLUDE LAS VEGAS-ATLANTA SERVICE**

Eastern asserts that there is an interrelationship between the Las Vegas-Atlanta and Las Vegas-Dallas/Ft. Worth markets; that Atlanta-Las Vegas passengers constitute an important facet of the present service between Dallas/Ft. Worth and Las Vegas; and that the Atlanta-Las Vegas market needs competitive service. Inclusion of this issue is opposed by the Bureau plus numerous carriers and the Las Vegas Parties essentially on the grounds that the Atlanta-Las Vegas issue is outside of the scope of this inquiry and such an issue would unnecessarily complicate the instant proceeding.

**DELTA'S REQUEST FOR EXPANSION OF THE
ISSUES TO INCLUDE THE LAS VEGAS-PHOENIX MARKET**

Delta contends that the Las Vegas-Phoenix market is an Airwest monopoly

with over 135,000 local and connecting passengers and that it deserves consideration for competitive service. The Bureau and numerous carriers including Airwest plus the Las Vegas Parties have opposed Delta's request. The opponents claim that the Las Vegas-Phoenix market has no geographic relationship to the Las Vegas-Dallas/Ft. Worth market or the other Texas cities being considered for inclusion herein and that hence there is no sound basis for consolidating the Phoenix service issue.

HUGHES AIRWEST'S ALTERNATIVE REQUEST FOR EXPANSION OF THE CASE

Airwest has filed an application, Docket 29554, which seeks authority between (1) the terminal point Las Vegas, the intermediate points Albuquerque, El Paso, Midland/Odessa, San Antonio, Corpus Christi, and the terminal point Houston, and (2) between the coterminous points Phoenix and Tucson, the intermediate points San Antonio and Houston, and the terminal point New Orleans. Airwest has moved for expedited hearing of this application. Airwest's application relates to the Las Vegas-Dallas/Ft. Worth case in the following manner: The carrier says that it wants its application heard separately and on a priority basis, but if the Board declines to do so Airwest wants the application in question consolidated with the instant proceeding.

Consolidation of Airwest's segment 2 proposal is endorsed by Delta but opposed by numerous other petitioners. In essence, the opponents of Airwest's proposed expansion of the issues point out that there is no economic or geographic relationship between the markets for which Airwest seeks new authority and the Las Vegas-Dallas/Ft. Worth market or other Las Vegas-Texas markets. Thus, the opponents claim that if Airwest's motion is granted a very large area proceeding would then be underway.

Upon consideration of the pleadings and all the relevant facts, we have decided to deny the various petitions and requests which seek expansion of the issues.

Turning first to the Las Vegas-Atlanta market, there is no sound basis for consolidating that market into the instant proceeding. Eastern argues that numerous passengers in the Atlanta-Las Vegas market must stop at Dallas because of the limited nonstop service offered by Delta between Atlanta and Las Vegas. American, however, persuasively points out that although Eastern's reasoning might support a separate Atlanta-Las Vegas case these facts do not support addition of Atlanta to a Dallas-Las Vegas case. Thus, American notes that there are many cities east of Dallas on American's system whose Las Vegas passengers are also required to make an intermediate stop at Dallas. Thus, consolidation of an Atlanta-Las Vegas issue could well lead to a wholesale expansion of the case into other Las Vegas markets east of Missis-

sippi.² It should also be noted that the Atlanta-Las Vegas market is substantially smaller (about 43,000 local O&D and connecting passengers) than the Las Vegas-Dallas/Ft. Worth market.

Delta requests consolidation of the Las Vegas-Phoenix market with the instant proceeding. We shall deny Delta's request. Although Las Vegas-Phoenix is a large (135,000 passengers) Airwest monopoly market, there is no economic relationship between the Las Vegas-Phoenix and the Las Vegas-Texas service issues. Indeed, Delta does not claim any such relationship. Under these circumstances, there is no particular reason to link Las Vegas-Dallas/Ft. Worth and Las Vegas-Phoenix together.³

As noted previously, Airwest seeks consolidation herein of its application in Docket 29554 in the event the Board declines to give its application separate and expedited treatment. It is clear that segment 2 of that carrier's application has no legitimate place in this proceeding.⁴ Proposed segment 2 involves service between Phoenix and Tucson on the one hand, and New Orleans on the other hand, via San Antonio and Houston. Inclusion of such an issue would, as the Bureau points out, result in creation of a large area proceeding. Numerous markets unrelated to Las Vegas service would be involved and delay in disposition of the case would be significant.

With respect to consolidation of Las Vegas-Albuquerque and Texas service issues, a close and difficult question is presented. These are the markets (Las Vegas, on the one hand, to Albuquerque, Houston, San Antonio, Midland/Odessa, Austin and El Paso, on the other hand) which the Board carefully examined and rejected for inclusion in the newly instituted investigation. Thus, only the Las Vegas-Dallas/Ft. Worth market was placed in issue for hearing.⁵

The petitions for reconsideration of the Board's determination to exclude Albuquerque and the Texas cities, Houston, San Antonio, Midland/Odessa, Austin, and El Paso, have not clearly established error in the Board's original determinations; nor have the petitions presented any significant information which can

be fairly characterized as new information.⁶

We are convinced that inclusion of the Texas cities and Albuquerque will result in a significant expansion of the case and a significant delay in the resolution of the case. For example, a Las Vegas-Albuquerque service issue with the necessarily attendant issue of replacing Frontier in that market will be an extremely controversial matter. The Las Vegas-Houston market is also illustrative. National's present interest in the instant proceeding is minimal. If, however, the issues are expanded to include an additional carrier in the Las Vegas-Houston market, National can be expected to energetically defend its incumbent status in that market. Finally, of course, the carriers will be exhibiting new route proposals in five or six new markets rather than just the single Las Vegas-Dallas/Ft. Worth market.

We take exception to our dissenting colleagues' assertion that the Board's decision confirms that it will only set for hearing cases which involve but a single market. Our decision was based on no such rigidity. Thus, we are simply not persuaded that the Texas markets (other than Dallas/Ft. Worth) are large enough—even allowing for stimulation by possible elimination of some backhaul through Dallas/Ft. Worth (although routings without backhaul are now available through Phoenix or Albuquerque or both)—to merit a priority hearing. Nor are we satisfied that the addition of these smaller points through linear routing or otherwise is a sine qua non to profitability for any applicant in the larger Las Vegas-Dallas/Ft. Worth market. The problem is, as we see it, if we were to set these relatively small markets for priority hearing, we would both needlessly complicate and delay an otherwise simple and straightforward case, as well as abandon any serious effort to concentrate the Board's resources on those areas with much greater potential public benefits. If we were to set these small markets for hearing now, then by force of precedent in the future we would simply have to set virtually every market for priority hearing and thereby, by sheer mass of cases, prevent the Board from reaching and deciding at an early date those matters which will best improve the overall network and work the greatest public good.

There is no sound basis for imposing the pretrial restrictions suggested by TXI and TWA. TXI's suggestion was rejected by the Board in our order of investigation, and there is no basis for altering that determination. It is well-established that, absent some special and unusual circumstances, we will not

² There is extensive argument in the petitions attempting to show that the excluded markets are as large as many other markets previously set for hearing by the Board. The Bureau's answer, however, effectively shows that there are a variety of explanations for hearing a given market and that size alone is not necessarily controlling.

² The Las Vegas Parties do not support inclusion of Las Vegas-Atlanta service in this case because of the delays which resolution of such an issue would entail.

³ As in the case of the Las Vegas-Atlanta market, the Las Vegas Parties oppose inclusion of the Las Vegas-Phoenix issue in the instant investigation. The Las Vegas Parties point out that such an issue would unnecessarily complicate the issues and detract from consideration of the Las Vegas-Dallas service.

⁴ Proposed segment 1 involves service in the Las Vegas-Albuquerque and Las Vegas-South Texas markets, a matter discussed below.

⁵ No party has asked for reconsideration of the Board's determination to hear the question of competitive nonstop service in the Las Vegas-Dallas/Ft. Worth market.

establish, in advance, restrictions on any award which we may ultimately make.

Eastern and Airwest have filed unopposed motions to consolidate Las Vegas-Dallas/Ft. Worth nonstop applications. These applications conform with the issues as presently constituted.

Accordingly, it is ordered:

1. That the motion of Kern County, California, for leave to file an untimely document, be and it hereby is granted;

2. That the petitions for reconsideration of Order 76-6-161, be and they hereby are denied;

3. That the application of Eastern Air Lines, Inc., Docket 29377 and the application of Hughes Air Corps, d/b/a Hughes Airwest, Docket 29554, be and they hereby are consolidated for hearing and decision with the Las Vegas-Dallas/Ft. Worth Nonstop Service Investigation, Docket 29445; and

4. That the requests of Trans World Airlines, Inc., and Texas International Airlines, Inc., for imposition of pretrial restrictions, be and they hereby are denied.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

PHYLLIS T. KAYLOR,¹

Secretary.

[FR Doc.76-30786 Filed 10-19-76;8:45 am]

[Docket Nos. 29424, etc.]

LEP TRANSPORT, LTD. (U.K.) ET AL.

Prehearing Conference Regarding Foreign Indirect Air Carrier Renewals (United Kingdom)

LEP Transport, Ltd. (U.K.) d/b/a LEP Transport, Inc. (U.S.A.) Docket 29424; Pandair Freight Limited (U.K.) d/b/a Pandair Freight, Inc. (U.S.A.), Docket 29750; McGregor, Swire Air Services, Ltd. (U.K.), Docket 29357.

Notice is hereby given that the above-entitled cases are combined for purpose of prehearing conference; and said conference is scheduled to be held on December 7, 1976, at 9:30 a.m. (local time) in Room 1003, Hearing Room B, 1875 Connecticut Avenue, NW., Washington, D.C., before the undersigned Administrative Law Judge.

In order to facilitate the conduct of the conference, the Bureau, on or before October 22, 1976, shall submit to each party (one copy) and to the Judge (four copies) of (1) the proposed statement of issues as to said party's application; (2) proposed stipulations; (3) proposed requests for information and evidence; and (4) the proposed hearing date. Other parties shall respond by November 19, 1976, as to any requested data with which they differ or which they will be unable to supply, and shall explain all objections.

¹ Minetti and West, members, filed concurrence and dissenting statement as part of the original document. Appendix also filed as part of the original document.

It is contemplated that these cases will be heard in one consolidated hearing.

Ordinary transcript will be adequate for the proper conduct of this proceeding.

Dated at Washington, D.C., October 13, 1976.

FRANK M. WHITING,
Administrative Law Judge.

[FR Doc.76-30792 Filed 10-19-76;8:45 am]

[Docket No. 28992; Order 76-10-16]

MEMBERS OF THE AIR TRANSPORT ASSOCIATION OF AMERICA

Order Regarding Application for Authority to Discuss Administration as Dimensional Weight, Rule Filed by Carrier

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 4th day of October 1976.

By Order 76-5-100, May 21, 1976, the Board denied an application by members of the Air Transport Association of America (the carriers) for permission to hold discussions on carrier administration of the dimensional weight rule (cube rule).²

On June 14, 1976, the carriers submitted a petition for reconsideration of that order. The petitioners assert, inter alia, that the Board has inappropriately applied the standards enunciated in the Local Cartage Agreement Case (Cartage case), 15 C.A.B. 850 (1952), since the matters to be discussed would not be "plainly repugnant" to establish antitrust principles because the discussions would pertain only to enforcing currently effective rules and regulations, and would not impose new ones; and that, even under the Cartage case criteria, the discussions should be permitted, inasmuch as there is no "more serious transportation need * * * than that shippers pay the rates and charges specified in carrier tariffs."

The carriers also assert that Order 76-5-100 precluded their participation in meetings held by the Board's Bureau of Enforcement (BOE) on May 26, 1976, for the purpose of initiating "affirmative action" programs to eliminate alleged deviations from air freight tariff requirements, including the cube rule (Dockets 27933 and 29223). Accordingly, they request that, if the Board does not reconsider its denial of the discussion authority requested, it should at a minimum permit the carriers to meet with BOE for the foregoing purpose.

An answer in opposition to the petition has been filed by the Air Freight Forwarders Association (AFFA), which claims, inter alia, that the carriers have given no reasons why each one cannot separately enforce its own tariffs, and that the sole reason for the carriers' request for discussions is to shift the burden of complying with carrier tariffs from the carriers to the forwarders. AFFA also maintains that the Board

² The participating carriers include all members of the Air Transport Association except Aloha Airlines, Inc.

should not allow the airlines "to hide behind the cloak" of BOE to obtain their objectives; that there is no reason why BOE cannot discuss affirmative action plans with each of the carriers separately; and that the Board should not permit an industrywide action plan without the consent and participation of shippers and forwarders.

In their original application, the carriers indicated they wished to discuss more than mere compliance with tariffs. The carriers' original application stated that they wished to discuss "possible alternatives" to dimensional weight rule application and added that there might be possible solutions that could require "industry-wide procedures directed to institute expanded cooperation of the shipper." In their petition for reconsideration, however, the carriers limit their request to discussions of effective compliance with the tariff rules and, if that is refused, permission to meet with BOE on affirmative action programs.

In view of the foregoing and all other relevant factors, the Board has decided to reconsider its denial of the carriers' prior application and to permit the discussions, subject to conditions. Clearly, the matter is now presented on a narrower basis and is limited to tariff enforcement. Accordingly, the request will be granted. Discussion of the dimensional weight rule shall be restricted to an interchange of ideas on administrative techniques and devices for implementing existing tariffs in such a way as not to add new or different conditions of any kind upon the tariffs' application. The discussions will be authorized for a period of 90 days from the date of this order.

We will also condition our approval to permit interested shippers, including indirect carriers, to express their views during the course of the discussions and prior to the conclusion of any final agreement. Our approval will also require that the attendance of Board observers be permitted.

The Board also wishes to make it clear that, while the approval granted herein is limited to the carriers' request to discuss compliance with the existing cube rule tariff provisions, the carriers are also free to engage in discussions initiated by the Board's Bureau of Enforcement for the purpose of establishing "affirmative action" programs designated to bring the carriers into conformity with their existing air freight tariffs.³

³ AFFA requests that joint discussions with BOE not be permitted without forwarder participation. However, any enforcement settlement agreed to by BOE is ultimately reviewable by the Board. The agreement of BOE to an affirmative action plan incorporated in such a settlement is done under a delegation of authority from the Board. Interested third persons such as AFFA may petition the Board for review of such matters. The Board, therefore, will not at this time circumscribe or expand the proposed enforcement discussions. In addition, BOE is not precluded from holding joint discussions with carriers, be it with air freight forwarders or direct air carriers, with or without an enforcement proceeding.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a), 412, and 414 thereof:

It is ordered, That:

1. The petition for reconsideration of Order 76-5-100 filed by the members of the Air Transport Association of America in Docket 28992 is granted;

2. The carrier members of the Air Transport Association are authorized for a period of 90 days from the date of this to engage in discussions on administration of the dimensional weight rule that will be strictly limited to the interchange of ideas on administrative techniques and devices for implementing existing tariffs in such a way as not to add new or different conditions of any kind upon the tariffs' application;

3. An agenda of matters to be discussed shall be filed with the Board's Docket Section in this docket at least 10 calendar days in advance with respect to any meeting called pursuant to this order;

4. Any shipper (including indirect air carrier) or shipper organization may advise the Air Transport Association that it is interested in the discussions and thereafter all meeting notices and agendas shall be mailed to any such shipper or shipper organization, with such notice to include an invitation to submit comments upon the agenda matters and to arrange for personal appearances at the carriers' meetings;

5. The Director of the Bureau of Economics shall be given at least five business days' notice of the time and place of any meetings called pursuant to the authority granted herein;

6. The Board reserves the right to have one or more observers in attendance at all meetings of the carriers;

7. Complete and accurate minutes shall be kept of all meetings and a true copy thereof filed with the Board's Docket Section not later than two weeks after the conclusion of each meeting;

8. Any agreement or agreements reached as a result of such discussions shall be filed with the Board for advance approval in accordance with section 412 of the Federal Aviation Act of 1958; and

9. This order will be served upon the Air Transport Association of America, the Air Freight Forwarders Association, and the Hawaii Air Cargo Shippers Association, Inc.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

PHYLLIS T. KAYLOR,
Secretary.

[FR Doc. 76-30790 Filed 10-19-76; 8:45 am]

[Docket No. 27372]

PAN AMERICAN WORLD AIRWAYS, INC. v. SEABOARD WORLD AIRLINES, INC.

Assignment of Enforcement Proceeding

This proceeding is hereby assigned to Administrative Law Judge William A.

"If the direct carriers so desire, they may appoint a secretary to represent them for the purposes of preparing meeting notices, agendas, minutes of meetings, and the filing of agreements.

Kane. Future communications should be addressed to Judge Kane.

Dated at Washington, D.C., October 15, 1976.

ROSS I. NEWMANN,
Chief Administrative Law Judge.

[FR Doc. 76-30791 Filed 10-19-76; 8:45 am]

COMMISSION ON CIVIL RIGHTS KENTUCKY ADVISORY COMMITTEE

Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Kentucky Advisory Committee (SAC) to this Commission will convene at 5:30 p.m. and end at 11:00 p.m. on November 5, 1976, at the Hilton Inn, 1938 Stanton Way, Churchill Downs Room, Lexington, Kentucky 40505.

Persons wishing to attend this meeting should contact the Committee Chairperson, or the Southern Regional Office of the Commission, Citizens Trust Bank Building, Room 362, 75 Piedmont Avenue, NE, Atlanta, Georgia 30303.

The purpose of this meeting is a discussion of proposal for upcoming project for this year.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., October 15, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee
Management Officer.

[FR Doc. 76-30743 Filed 10-19-76; 8:45 am]

COUNCIL ON WAGE AND PRICE STABILITY

HEALTH CARE COSTS

Hearings

This notice is intended to provide the times, dates and places for two public hearings, about rising health care costs, to be held by the Council on Wage and Price Stability. A general notice for these hearings was previously published at 41 FR 42711. These hearings have been scheduled as follows: A hearing will be held in Houston, Texas on October 21, 1976 at the Houston Power & Light Community Conference Room, 411 Walker Street, beginning at 9:00 a.m. A second hearing will be held in Miami, Florida on October 28, 1976 in Room 208 of the Federal Building, 51 S.W. First Avenue, beginning at 9:00 a.m.

The previous FEDERAL REGISTER notice directed parties interested in presenting oral and/or written testimony to contact Mr. James Elleman, Council on Wage and Price Stability, 726 Jackson Place, N.W., Washington, D.C. 20506 (202-456-2695).

WILLIAM LILLEY III,
Acting Director.

[FR Doc. 76-30741 Filed 10-19-76; 8:45 am]

DELAWARE RIVER BASIN COMMISSION

HOFFMANN-La ROCHE INC.

Water Intake Project

The Commission has prepared an environmental assessment of the water intake project proposed by Hoffmann-La Roche Inc. located one mile northeast of Belydore, New Jersey (River Mile 201.0). The assessment has shown that, in general, construction and operation of the proposed water intake would result in significantly greater benefits than detriments. Based upon the assessment, the Executive Director has determined that the proposed water intake will not cause a significant adverse impact upon the quality of the human environment and that the preparation of an environmental impact statement is, therefore, not required.

Notice is hereby given of the Executive Director's intent to issue a Negative Declaration in accordance with the Commission's Rules of Practice and Procedure, Article 4, Section 2-4.5. The Negative Declaration will take effect on October 27, 1976 unless prior to that date interested parties submit written evidence sufficient to demonstrate why an environmental impact statement should be prepared for this proposed project.

Copies of the environmental assessment are available upon request.

W. BRINTON WHITALL,
Secretary.

OCTOBER 12, 1976.

[FR Doc. 76-30689 Filed 10-19-76; 8:45 am]

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

PORTSMOUTH GASEOUS DIFFUSION PLANT EXPANSION (ERDA-1549), PIKE- TON, OHIO

Availability of Draft Environmental Statement

Notice is hereby given that the Draft Environmental Statement, ERDA-1549, Portsmouth Gaseous Diffusion Plant Expansion, was issued pursuant to the Energy Research and Development Administration's (ERDA) regulations implementing the National Environmental Policy Act of 1969. The statement was prepared in support of the design and construction of the facility expansion by ERDA at the Portsmouth Gaseous Diffusion Plant, Pike County, Piketon, Ohio.

The Portsmouth gaseous diffusion plant was constructed as part of the uranium enrichment complex during 1952-1956, by the Atomic Energy Commission (AEC). ERDA assumed responsibility for AEC operational functions, including the Portsmouth plant, January 19, 1975, as a result of the Energy Reorganization Act of 1974. The plant consists of about 4,000 diffusion stages with a capacity of 5.2 million separative work units (SWU) per year housed in three process buildings covering about 93 acres of the 640-acre site. The expansion program will add four process buildings containing 528 diffusion stages, each about 50 percent

larger in capacity than the largest currently installed, and produce about 8.75 million separative work units per year (SWU/yr).

The draft environmental statement assesses the effect on the environment from current plant operations and projects the future effects of the combined current plant operations and construction and operation of the proposed new add-on plant.

Copies of the draft statement are being distributed for review and comment to Federal, State and local agencies and organizations and individuals that have expressed an interest in the operation of the Portsmouth facilities and the uranium enrichment program. Copies of the draft statement are available for public inspection in the ERDA public document rooms at:

ERDA Headquarters, 20 Massachusetts Avenue, Washington, D.C.
Albuquerque Operations Office, Kirtland Air Force Base East, Albuquerque, New Mexico.
Chicago Operations Office, 9800 South Cass Avenue, Argonne, Illinois.
Idaho Operations Office, 550 Second Street, Idaho Falls, Idaho.
Nevada Operations Office, 2753 South Highland Drive, Las Vegas, Nevada.
Oak Ridge Operations Office, Federal Building, Oak Ridge, Tennessee.
Richland Operations Office, Federal Building, Richland, Washington.
San Francisco Operations Office, 1333 Broadway, Oakland, California.
Savannah River Operations Office, Savannah Plant, Aiken, South Carolina.

Comments and views concerning the draft statement are requested from other interested agencies, organizations and individuals. Single copies of the draft environmental statement will be furnished for review and comment upon request addressed to W. H. Pennington, Director, Office of NEPA Coordination, Mail Station E-201, U.S. Energy Research and Development Administration, Washington, D.C. 20545, (301) 353-4241. Comments should be sent to the same address.

In accordance with the guidelines from the Council on Environmental Quality, agencies and members of the public submitting comments on the draft environmental statement should endeavor to make their comments as specific, substantive, and factual as possible without undue attention to matters of form in the review of comments if the comments were organized in a manner consistent with the structure of the draft statement. Emphasis should be placed on the assessment of the environmental impacts of the Portsmouth operations specifically, and the acceptability of those impacts on the quality of the environment, particularly as contrasted with the impacts of reasonable alternatives. Commenting entities may recommend modifications and/or new alternatives that will enhance environmental quality and avoid or minimize adverse environmental impacts.

Copies of comments on the draft environmental statement will be placed in the above referenced document rooms for inspection and will be considered in

the preparation of the final environmental statement if received by ERDA on or before December 20, 1976.

Dated at Germantown, Md., this 15th day of October 1976.

For the Energy Research and Development Administration.

JAMES L. LIVERMAN,
Assistant Administrator
for Environment and Safety.

[FR Doc.76-30767 Filed 10-19-76; 8:45 am]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 20959-20961]

GOLDEN PESO, ET AL.

Memorandum Opinion and Order Designating Applications for Consolidated Hearing on Stated Issues

Adopted: September 29, 1976.

Released: October 14, 1976.

In regards to applications of Golden Peso, Docket No. 20959, File No. 7670-CM-P-72; and Hawkeye Micro-Transmission Company, Docket No. 20960, File No. 9447-CM-P-72; and Multi-Communication Services, Inc., Docket No. 20961, File No. 9448-CM-P-72; for construction permits in the Multipoint Distribution Service for a new station at Omaha, Nebraska.

1. The Commission has before it the above-referenced applications of Golden Peso (File No. 7670-CM-P-72), filed on April 18, 1972; Hawkeye Micro-Transmission Company (Hawkeye) (File No. 9447-CM-P-72), filed on June 26, 1972; and Multi-Communication Services, Inc. (Multicom) (File No. 9448-CM-P-72), filed on June 27, 1972. All three applications proposed Channel 1 operation in the Multipoint Distribution Service (MDS) in the Omaha, Nebraska area, and thus are mutually exclusive and require comparative consideration. All three applications have been amended as a result of informal requests of the Commission staff for additional information, and no petitions to deny or other objections to any of the applications have been received.

2. Golden Peso also has MDS construction permit applications on file in Tulsa, Oklahoma, and Albuquerque, New Mexico. Hawkeye is a division of Hawkeye Communications, Inc. which has interests in several CATV systems in Iowa and Wisconsin. Hawkeye has nine MDS permit applications pending, including Des Moines, Iowa, and is permittee in Sioux Falls, South Dakota, and Cedar Rapids, Iowa. Multicom has twenty-three MDS construction permit applications pending. Several of its officers have interests in broadcasting and CATV operations in Florida and Georgia.

3. Upon review of the captioned applications, we find that the three applicants are legally, technically, financially, and otherwise qualified to provide the services which they propose, and that a hearing will be required to determine, on a comparative basis, which of these applications should be granted.

4. According, it is hereby ordered, That pursuant to section 309(e) of the Communications Act of 1934, as amended, and § 0.291 of the Commission's rules, the above-captioned applications are designated for hearing, in a consolidated proceeding, at the Commission's offices in Washington, D.C., on a date and before an Administrative Law Judge to be specified by later order, to determine, on a comparative basis, which of the above-captioned applications should be granted in order to best serve the public interest, convenience, and necessity. In making such a determination, the following factors shall be considered:¹

(a) The relative merits of each proposal with respect to service area and efficient frequency use;

(b) The nature of the services and facilities proposed, and whether they will satisfy service requirements known to exist or likely to exist in the Omaha, Nebraska area.

(c) The anticipated quality and reliability of the service proposed, including selection of equipment, installation, subscriber security, and maintenance.

(d) The charges, regulations and conditions of the service to be rendered and their relation to the nature, quality and costs of service; and

(e) The managerial and entrepreneurial qualifications of the applicants.

5. It is further ordered, That Golden Peso, Hawkeye Micro-Transmission Company, and Multi-Communication Services, Inc., and the Chief, Common Carrier Bureau, are made parties to this proceeding.

6. It is further ordered, That parties desiring to participate herein shall file their notices of appearance in accordance with the provisions of § 1.221 of the Commission's rules.

JOSEPH A. MARINO,
Deputy Chief,
Common Carrier Bureau.

[FR Doc.76-30757 Filed 10-19-76; 8:45 am]

[Docket Nos. 20955-20958]

KLOTZ, HOWARD AND CORBUS,
WILLIAM ET AL.

Memorandum Opinion and Order Designating Applications for Consolidated Hearing on Stated Issues

Adopted: September 29, 1976.

Released: October 15, 1976.

In re applications of Klotz, Howard and Corbus, William, Docket No. 20955, File No. 5583-CM-P-72; and Wichita Broadcasting, Inc., Docket No. 20956, File No. 7936-CM-P-72; and Metrocom/Kerr, Breene and Lucas, Laurence, Docket No. 20957, File No. 7937-CM-P-72; and Multi-Communication Services, Inc., Docket No. 20958, File No. 7938-CM-P-72; for construction permits in the Multipoint Distribution Service for a new station at Oklahoma City, Oklahoma.

¹ Consideration of these factors shall be made in light of the Commission's discussion in Peabody Telephone Answering Service, et. al., 55 FCC 2d 626 (1975).

1. The Commission has before it the above-referenced applications of Klotz, Howard and Corbus, William (Klotz) (File No. 5583-CM-P-72), filed on February 24, 1972; Wichita Broadcasting, Inc. (Wichita) (File No. 7936-CM-P-72), filed on May 5, 1972; Metrocom/Kerr, Breene and Lucas, Laurence (Metrocom) (File No. 7937-CM-P-72), filed on May 5, 1972; and Multi-Communication Services, Inc. (Multicom) (File No. 7938-CM-P-72), filed on May 5, 1972. All four applications proposed Channel 1 operation in the Multipoint Distribution Service (MDS) in the Oklahoma City, Oklahoma area, and thus are mutually exclusive and require comparative consideration. All four applications have been amended as a result of informal requests of the Commission staff for additional information, and no petitions to deny or other objections to any of the applications have been received.

2. Klotz has twenty-one MDS construction permit applications pending and is permittee in San Bernardino, California; New Haven, Connecticut; and Atlantic City, New Jersey. Wichita (formerly Double-B Radio, Inc.) is an MDS applicant in Tulsa, Oklahoma, owns KWBB-AM in Wichita, Kansas, and has interests in several broadcasting stations in Texas and Oklahoma. Metrocom has only the instant construction permit application. Multicom has twenty-three MDS construction permit applications pending. Several of its officers have interests in broadcasting and CATV operations in Florida and Georgia.

3. Upon review of the captioned applications, we find that the four applicants are legally, technically, financially, and otherwise qualified to provide the services which they propose, and that a hearing will be required to determine, on a comparative basis, which of these applications should be granted.

4. Accordingly, it is hereby ordered, That pursuant to section 309(e) of the Communications Act of 1934, as amended, and § 0.291 of the Commission's rules, the above-captioned applications are designated for hearing, in a consolidated proceeding, at the Commission's offices in Washington, D.C., on a date and before an Administrative Law Judge to be specified by later order, to determine, on a comparative basis, which of the above-captioned applications should be granted in order to best serve the public interest, convenience, and necessity. In making such a determination, the following factors shall be considered:¹

(a) The relative merits of each proposal with respect to service area and efficient frequency use;

(b) The nature of the services and facilities proposed, and whether they will satisfy service requirements known to exist or likely to exist in the Oklahoma City, Oklahoma area.

¹ Consideration of these factors shall be made in light of the Commission's discussion in Peabody Telephone Answering Service, et al., 55 FCC 2d 626 (1975).

(c) The anticipated quality and reliability of the service proposed, including selection of equipment, installation, subscriber security, and maintenance.

(d) The charges, regulations and conditions of the service to be rendered and their relation to the nature, quality and costs of service; and

(e) The managerial and entrepreneurial qualifications of the applicants.

5. It is further ordered, That Klotz, Howard and Corbus, William; Wichita Broadcasting, Incorporated; Metrocom/Kerr, Breene and Lucas, Laurence; and Multi-Communication Services, Inc.; and the Chief, Common Carrier Bureau, are made parties to this proceeding.

6. It is further ordered, That parties desiring to participate herein shall file their notices of appearance in accordance with the provisions of § 1.221 of the Commission's rules.

JOSEPH A. MARINO,
Deputy Chief,
Common Carrier Bureau.

[FR Doc. 76-30758 Filed 10-19-76; 8:45 am]

[Docket Nos. 30930-30932]

J. A. BAXTER, JR. ET AL.

Memorandum Opinion and Order Designating Applications for Consolidated Hearing on Stated Issues

Adopted: September 27, 1976.

Released: October 14, 1976.

In re applications of J. A. Baxter, Jr., Gordon L. Bostic and Gerald Wayne Hunt d/b as Madison County Broadcasting Jackson, Tennessee Requests: 103.1 MHz, Channel 276; 3 kw (H&V); 300 feet (H&V), Docket No. 20930, File No. BPH-9318; Charles C. Allen, Jackson, Tennessee, Requests: 103.1 MHz, Channel 276; 3 kw (H&V); 300 feet (H&V), Docket No. 20931, File No. BPH-9341; Community Services Broadcasting, Inc. Jackson, Tennessee, Requests: 103.1 MHz, Channel 276; 3 kw (H&V); 311 feet (H&V), Docket No. 20932, File No. BPH-9405; for construction permits.

1. The Commission, by the Chief, Broadcast Bureau, acting pursuant to delegated authority, has before it for consideration the above-captioned applications of J. A. Baxter, Jr., Gordon L. Bostic and Gerald Wayne Hunt d/b as Madison County Broadcasting (Madison); Charles C. Allen (Allen); and Community Services Broadcasting, Inc. (Community), licensee of standard broadcast station WDXI, Jackson, Tennessee, requesting a construction permit for a new FM broadcast station in Jackson, Tennessee.

2. Allen has failed to comply with the requirements of the "Primer on the Ascertainment of Community Problems by Broadcast Applicants," 27 FCC 2d 650, 21 RR 2d 1507 (1971). In his demographic study, Allen states that unemployment and underemployment are problems in the area to be served. However, Allen has failed to consult with representatives or

individuals concerned with this significant group. "A. V. Bamford", 48 FCC 2d 1155 (1974). Therefore, a "Suburban" issue will be specified.¹

3. Community has also failed to comply with the requirements of the "Primer", *supra*, in that it has failed to indicate when its general public survey was conducted.

4. Except as indicated by the issues specified below, applicants are qualified to construct and operate as proposed. However, because the proposals are mutually exclusive, they must be designated for hearing in a consolidated proceeding on the issues specified below.

5. It is ordered, That, pursuant to section 309(e) of the Communications Act of 1934, as amended, the applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent Order, upon the following issues:

(1) To determine whether Community conducted its consultations with the members of the general public within six (6) months prior to the date of the filing of the application in accordance with Primer requirements.

(2) To determine the efforts made by Allen to ascertain the needs and problems of the poor and unemployed in the area to be served and the means by which the applicant proposes to meet those needs and problems.

(3) To determine which of the proposals would, on a comparative basis, would serve the public interest.

(4) To determine in the light of the evidence adduced pursuant to the foregoing issues which of the applicants should be granted.

6. It is further ordered, That to avail themselves of the opportunity to be heard, the applicants and party respondent herein pursuant to § 1.221(c) of the Commission's rules, in person or by attorney, shall, within twenty (20) days of the mailing of this Order, file with the Commission in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

7. It is further ordered, That the applicants herein shall, pursuant to section 311(a)(2) of the Communications Act of 1934, as amended, and § 1.594 of the Commission's rules, give notice of the hearing, either individually or, if feasible, and consistent with the rules, jointly, within the time and the manner prescribed in such rule, and shall advise the Commission of the publication of such notice as required by § 1.594(g) of the rules.

FEDERAL COMMUNICATIONS
COMMISSION,
WALLACE E. JOHNSON,
Chief, Broadcast Bureau.

[FR Doc. 76-30756 Filed 10-19-76; 8:45 am]

¹ Suburban Broadcasters, 30 FCC 1021, 20 RR 951 (1961).

TV BROADCAST APPLICATION READY AND AVAILABLE FOR PROCESSING

Adopted: October 1, 1976.

Released: October 13, 1976.

Notice is hereby given, pursuant to § 1.572(c) of the Commission's rules, that on November 16, 1976 the TV broadcast application listed in the attached Appendix will be considered as ready and available for processing. Pursuant to §§ 1.227(b)(1) and 1.591(b) of the Commission's rules, an application in order to be considered with the application appearing on the attached list or with any other application on file by the close of business on November 15, 1976 which involves a conflict necessitating a hearing with the application on this list, must be substantially complete and tendered for filing at the offices of the Commission in Washington, D.C., by the close of business on November 15, 1976.

The attention of any party in interest desiring to file pleadings concerning any pending TV broadcast application, pursuant to section 309(d)(1) of the Communications Act of 1934, as amended, is directed to § 1.580(i) of the Commission's rules for provisions governing the time for filing and other requirements relating to such pleadings.

TV BROADCAST APPLICATION

Fort Smith, Arkansas, MCM Broadcasting Company, Channel 24, ERP, Vis.: 2523kw
HAAT: 1039 ft.

FEDERAL COMMUNICATIONS
COMMISSION,
VINCENT J. MULLINS,
Secretary.

[FR Doc.76-30761 Filed 10-19-76;8:45 am]

[Docket Nos. 20962-20964]

UNITED VIDEO, INC. ET AL.

Memorandum Opinion and Order Designating Applications for Consolidated Hearing on Stated Issues

Adopted: September 29, 1976.

Released: October 14, 1976.

In regards to Applications of United Video, Inc., Docket No. 20962, File No. 5064-CM-P-72; and Golden Peso, Docket No. 20963, File No. 7242-CM-P-72; and Wichita Broadcasting, Inc., Docket No. 20964, File No. 7415-CM-P-72; for construction permits in the Multipoint Distribution Service for a new station at Tulsa, Oklahoma.

1. The Commission has before it the above-referenced applications of United Video, Inc. (File No. 5064-CM-P-72), filed on February 9, 1972; Golden Peso, (File No. 7242-CM-P-72), filed on April 7, 1972; and Wichita Broadcasting, Inc. (File No. 7415-CM-P-72), filed on April 13, 1972. All three applications proposed Channel 1 operation in the Multipoint Distribution Service (MDS) in the Tulsa, Oklahoma area, and thus are mutually exclusive and require comparative consideration. All three applications have been amended as a result of informal requests of the Commission

staff for additional information, and no petitions to deny or other objections to any of the applications have been received.

2. United Video, Inc., owned by Lawrence Flinn, Jr., is permittee of an MDS station in Ocean City, Maryland, and is an MDS applicant in seven other cities, including Oklahoma City, Oklahoma. United Video, Inc. also owns 100% of a satellite station in Trees, Louisiana, and 19% of United Wehco, Inc., which owns 100% of a satellite station in Taylorville, Illinois. Golden Peso, Inc. also has MDS construction permit applications on file in Omaha, Nebraska, and Albuquerque, New Mexico. Wichita Broadcasting, Inc. (formerly Double-B Radio, Inc.) is an MDS applicant in Oklahoma City, Oklahoma, owns KWBB-AM in Wichita, Kansas and has interests in several broadcasting stations in Texas and Oklahoma.

3. Upon review of the captioned applications, we find that the three applicants are legally, technically, financially, and otherwise qualified to provide the services which they propose, and that a hearing will be required to determine, on a comparative basis, which of these applications should be granted.

4. Accordingly, it is hereby ordered, That pursuant to section 309(e) of the Communications Act of 1934, as amended, and § 0.291 of the Commission's rules, the above-captioned applications are designated for hearing, in a consolidated proceeding, at the Commission's offices in Washington, D.C., on a date and before an Administrative Law Judge to be specified by later order, to determine, on a comparative basis, which of the above-captioned applications should be granted in order to best serve the public interest, convenience, and necessity. In making such a determination, the following factors shall be considered:¹

(a) The relative merits of each proposal with respect to service area and efficient frequency use;

(b) The nature of the services and facilities proposed, and whether they will satisfy service requirements known to exist or likely to exist in the Tulsa, Oklahoma area.

(c) The anticipated quality and reliability of the service proposed, including selection of equipment, installation, subscriber security, and maintenance.

(d) The charges, regulations and conditions of the service to be rendered and their relation to the nature, quality and costs of service; and

(e) The managerial and entrepreneurial qualifications of the applicants.

5. It is further ordered, That United Video, Inc., Golden Peso, and Wichita Broadcasting, Inc., and the Chief, Common Carrier Bureau, are made parties to this proceeding.

6. It is further ordered, That parties desiring to participate herein shall file

¹ Consideration of these factors shall be made in light of the Commission's discussion in Peabody Telephone Answering Service, et al., 55 FCC 2d 626 (1975).

their notices of appearance in accordance with the provisions of § 1.221 of the Commission's rules.

JOSEPH A. MARINO,
Deputy Chief,
Common Carrier Bureau.

[FR Doc.76-30759 Filed 10-19-76;8:45 am]

[Docket Nos. 20950-20951]

UNIVERSAL ENTERPRISES, INC. AND C. A. MCCLUNEY, JR.

Order Designating Applications for Consolidated Hearing on Stated Issues

Adopted: October 4, 1976.

Released: October 15, 1976.

In re applications of Universal Enterprises, Inc., Honolulu, Hawaii, Docket No. 20950, File No. 25-A-L-76; C. A. McCluney, Jr., Honolulu, Hawaii, Docket No. 20951, File No. 57-A-L-76; for an aeronautical advisory station to serve Honolulu International Airport, Honolulu, Hawaii.

1. Universal Enterprises, Inc. (hereinafter called Universal) has filed an application for renewal of its license for aeronautical advisory station WJE2 at the Honolulu International Airport, Honolulu, Hawaii¹ and C. A. McCluney, Jr. (hereinafter called McCluney) has filed an application for new aeronautical advisory facilities at the same airport. Section 87.251(a) of the Commission's rules provides that only one aeronautical advisory station may be authorized to operate at a landing area and, therefore, the above-captioned applications are mutually exclusive. Accordingly, it is necessary to designate the applications for a comparative hearing in order to determine which application should be granted. Except for the issues specified herein, each applicant is otherwise qualified.

2. While the authorization for station WJE2 has expired it still appears appropriate to determine the manner in which Universal operated this station during the license period. Further, if operation continued after the expiration of the authorization, to determine the reasons and justification, if any, for operation after the license expired. McCluney has informed the Commission by letter dated July 1, 1976, that operation by Universal continued after the expiration date of May 27, 1975.

3. In view of the foregoing: It is ordered, That, pursuant to the provisions of section 309(e) of the Communications Act of 1934, as amended, and § 0.331 of the Commission's rules, the above-captioned applications are hereby designated for hearing in a consolidated proceeding at a time and place to be specified in a subsequent Order on the following comparative issues:

¹ Universal was granted an authorization for station WJE2 on May 27, 1970, with an expiration date of May 27, 1975. The application for renewal was filed on June 29, 1976, hence no timely filed renewal and the authorization for station WJE2 expired on May 27, 1975. The present application must be considered as a new station application.

(a) To determine which applicant would provide the public with better aeronautical advisory service based on the following considerations:

(1) Location of the fixed-base operation and proposed radio station in relation to the landing area and traffic patterns;

(2) Hours of operation;

(3) Personnel available to provide advisory service;

(4) Experience of applicant and employees in aviation communications;

(5) Ability to provide information pertaining to primary and secondary communications as specified in Section 87.257 of the Commission's rules;

(6) Proposed radio system including control and dispatch points; and

(7) The availability of the radio facilities to other fixed-based operators;

(b) To determine the manner in which Universal has operated aeronautical advisory station WJE2 and whether its operation was consistent with the Commission's rules; and

(c) To determine in light of the evidence adduced on the foregoing issues which, if either, of the applications should be granted.

4. It is further ordered, That the burden of proof and the burden of proceeding with the introduction of evidence on issue (b) is on Universal and on all other issues, the burdens are on each applicant with respect to its application except issue (c) which is conclusory.

5. It is further ordered, That to avail themselves of an opportunity to be heard, Universal and McCluney, pursuant to § 1.221(c) of the Commission's rules, in person or by attorney, shall within 20 days of the mailing of this Order file with the Commission, in triplicate, a written appearance stating an intention to appear on the date set for hearing and present evidence on the issues specified in this Order. Failure to file a written appearance within the time specified may result in dismissal of the application with prejudice.

CHARLES A. HIGGINBOTHAM,
Chief, Safety and Special
Radio Services Bureau.

[FR Doc.76-30760 Filed 10-19-76;8:45 am]

FEDERAL HOME LOAN BANK BOARD

[No. AC-17]

CIVIC FEDERAL SAVINGS AND LOAN ASSOCIATION, SAN FRANCISCO, CALIF.

Approval of Conversion; Final Action
Republication

SEPTEMBER 23, 1976.

Notice is hereby given that on September 23, 1976, the Federal Home Loan Bank Board, as the operating head of the Federal Savings and Loan Insurance Corporation by Resolution No. 76-732, approved the application of Civic Federal Savings and Loan Association, San Francisco, California, for permission to convert to the stock form of organization. Copies of the application are available for inspection at the Office of the

Secretary of said Corporation, 320 First Street, NW., Washington, D.C. 20552 and at the Office of the Supervisory Agent of said Corporation at the Federal Home Loan Bank of San Francisco, 600 California Street, San Francisco, California 94120.

By the Federal Home Loan Bank Board.

RONALD A. SNIDER,
Assistant Secretary.

[FR Doc.76-28819 Filed 9-30-76;8:45 am]

FEDERAL MARITIME COMMISSION

[Docket No. 75-38]

PUERTO RICO MARITIME SHIPPING AUTHORITY GENERAL INCREASE IN RATES

Adoption of Environmental Negative Declaration

By publication in the FEDERAL REGISTER on September 13, 1976, notice was given that the Federal Maritime Commission's Office of Environmental Analysis had determined that environmental issues relative to the above-referenced proceeding did not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. Sec. 4321, et seq., and that the preparation of a detailed environmental impact statement was not required under section 4332(2)(c) of NEPA.

Ten days were permitted for filing exceptions to the Negative Declaration. No exceptions have been filed.

Notice is hereby given that the Federal Maritime Commission has this date adopted the Environmental Negative Declaration.

By the Commission October 13, 1976.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.76-30796 Filed 10-19-76;8:45 am]

FEDERAL PREVAILING RATE ADVISORY COMMITTEE

PAY SYSTEMS FOR FEDERAL PREVAILING RATE EMPLOYEES
Meetings

Pursuant to the provisions of section 10 of Public Law 92-463, effective January 5, 1973, notice is hereby given that meetings of the Federal Prevailing Rate Advisory Committee will be held on:

Thursday, November 4, 1976

Thursday, November 11, 1976

Thursday, November 18, 1976

The meetings will convene at 10 a.m. and will be held in Room 5A06A, Civil Service Commission Building, 1900 E Street, NW., Washington, D.C.

The Committee's primary responsibility is to study the prevailing rate system and from time to time advise the Civil Service Commission thereon.

At these scheduled meetings, the Committee will consider proposed plans for implementation of Public Law 92-392, which law establishes pay systems for Federal prevailing rate employees.

The meetings will be closed to the public on the basis of a determination under section 10(d) of the Federal Advisory Committee Act (Public Law 92-463) and 5 U.S.C., section 552(b) (2), that the closing is necessary in order to provide the members with the opportunity to advance proposals and counter-proposals in meaningful debate on issues related solely to the Federal Wage System with the view toward ultimately formulating advisory policy recommendations for the consideration of the Civil Service Commission.

However, members of the public who wish to do so, are invited to submit material in writing to the Chairman concerning matters felt to be deserving of the Committee's attention. Additional information concerning these meetings may be obtained by contacting the Chairman, Federal Prevailing Rate Advisory Committee, Room 1338, 1900 E Street, NW., Washington, D.C. 20415.

DAVID T. ROADLEY,
Chairman, Federal Prevailing
Rate Advisory Committee.

OCTOBER 14, 1976.

[FR Doc.76-30785 Filed 10-19-76;8:45 am]

FEDERAL POWER COMMISSION

[Docket No. ER76-920]

ALABAMA POWER CO.

Filing of Initial Rate Schedule

OCTOBER 13, 1976.

Take notice that Alabama Power Company on September 27, 1976, tendered for filing an Agreement with Dixie Electric Cooperative, Inc., intended as an initial rate schedule. The filing is for the proposed Pintalla delivery point of the Dixie Electric Cooperative, Inc. The delivery point will be served at the Company's applicable revision to Rate Schedule REA-1 incorporated in FPC Electric Tariff, Original Volume No. 1, of Alabama Power Company as allowed to become effective, subject to refund, by Commission Orders in FPC Docket Nos. E-8851 and ER76-659.

Copies of the filing were served upon Dixie Electric Cooperative, Inc., and its attorneys of record in FPC Docket No. E-8851.

Any person desiring to be heard or to protest said applicant should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 19, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30826 Filed 10-19-76;8:45 am]

[Docket No. ER76-921]

ALABAMA POWER CO.**Filing of Initial Rate Schedule**

OCTOBER 13, 1976.

Take notice that Alabama Power Company on September 27, 1976 tendered for filing an Agreement with Black Warrior Electric Membership Corporation, intended as an initial rate schedule. The filing is for the proposed Lisman delivery point of the Black Warrior Electric Membership Corporation. The delivery point will be served at the Company's applicable revision to Rate Schedule REA-1 incorporated in FPC Electric Tariff, Original Volume No. 1, of Alabama Power Company as allowed to become effective, subject to refund, by Commission Orders in FPC Docket Nos. E-8851 and ER76-659. The Service Agreement for Black Warrior Electric Membership Corporation's Gilbertown, Greensboro, Silas, Disen Mills, Folsom, Forkland and Ward delivery points provides for a capacity of 2,000 kva at 44 kv; 5,000 kva at 44 kv; 3,750 kva at 44 kv; 5,000 kva at 44 kv; 3,750 kva at 44 kv; 3,750 kva at 44 kv; 2,000 kva at 44 kv; and 2,500 kva at 44 kv respectively.

Copies of the filing were served upon Black Warrior Electric Membership Corporation and its attorneys of record in FPC Docket No. E-8851.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with § 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 19, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 70-30827 Filed 10-19-76; 8:45 am]

[Project No. 2376]

APPALACHIAN POWER CO.**Revised Exhibits J, K and R**

OCTOBER 12, 1976.

On August 16, 1965, Appalachian Power Company (hereinafter Licensee or Appalachian), Licensee for Reusens Project No. 2376, filed an application for approval of revised Exhibits J, K, and R. Licensee superseded the subject application on February 6, 1976, and supplemented that filing on June 8, 1976. Revised Exhibit R was filed pursuant to Article 30 of the license issued August 12, 1964.¹ A revised Exhibit F was also filed.

¹ Appalachian Power Company, Project No. 2376, 32 F.P.C. 591 (1964).

The Reusens Project is located on the James River, at river mile 255.5 in the Counties of Amherst, Bedford, and Campbell near Lynchburg, Virginia. The project consists of a concrete and masonry gravity dam approximately 416 feet in length, a powerhouse, and a reservoir, confined mostly to the existing stream channel, approximately seven miles in length and 580 acres in area.

As has been noted, Article 30 of the license for this project required Licensee to file an Exhibit R within one year from the date of issuance of the licensing order. The Exhibit R was originally filed on August 16, 1965. Based on recommendations and analysis by the Commission Staff, and comments on this application filed March 10, 1966, by the United States Department of the Interior, Licensee revised the Exhibit R and filed the application now before us which supersedes the April 16, 1965, filing.

The exhibits filed reflect Licensee's purchase of a 9.35-acre tract which it subsequently leased to the County of Amherst, Virginia. Licensee has constructed and the County is maintaining and operating the Monacan Recreation Area on the tract. After the acquisition of the Monacan tract in 1968, Licensee conveyed 1.66 acres of the tract to the Commonwealth of Virginia in connection with the Commonwealth's construction of a new access road. The County of Amherst abandoned an old road running through the remaining portion. Licensee constructed various recreational facilities on the tract and, on March 3, 1969, leased the entire area to the County, which assumed maintenance and supervision of the recreational facilities. The recreational facilities constructed by Licensee include a covered picnic area with tables and grills, sanitary facilities, a lighted parking area, a single lane boat launching ramp with a docking pier, and drinking fountains. An undeveloped portion of the tract is reserved as a natural area for primitive camping.

These facilities were provided at an expense of more than \$50,000 on the part of the Licensee for land acquisition, development and design, and construction of all facilities, except for the boat ramp and dock, which were funded by the State of Virginia, and the paying of the access road, which was funded by Amherst County.

The project, operated as a run-of-the-river facility, has a relatively small reservoir only slightly wider than the original riverbed. Other than the necessary flowage rights, Licensee owns in fee only five small tracts of land, all of which (except the Monacan tract) are either leased to the Lynchburg Boat and Ski Club, or are inaccessible due to their bordering private properties.

The Boat and Ski Club leases two parcels of land from the Licensee. One parcel is a 25-acre island on which the club has developed picnicking and camping facilities and boat docks for convenient access to the island. The other parcel is a small area near the dam, where, under agreement with the Licensee, the Club has constructed a public boat ramp.

The Licensee has no further plans to provide additional recreation facilities at this time because of: (a) the relatively small size of the reservoir, (b) the recreational use by the Boat and Ski Club, (c) the use of the east side of the reservoir by private landowners (approximately 35-40 cottages), and (d) the adequacy of the County-operated Monacan Recreation Area. Should additional recreational development at the Monacan site or elsewhere at the project be warranted in the future, we have reserved sufficient authority under the license, particularly Articles 2, 13, and 17, to require such development. Biennial Form 80 will keep the Commission apprised of any changes in recreational needs in the vicinity of the project.

We note that the agreement under which Licensee would lease project lands and waters to the County of Amherst for the operation of the Monacan Recreation Area has been included as a part of the proposed Exhibit R. This arrangement in which the Licensee has acquired title in fee to lands to be included within the project boundary, and has subsequently leased these lands to the County of Amherst for recreational purposes is consistent with Commission Rules and Regulations.

No sites identified in the current National Register of Historic Places are within the proposed recreation areas.

Since there is no new construction or change in project operation contemplated and only minor modifications of the project boundary are authorized by this order, approval of the revised exhibits would not be a major Federal action significantly affecting the quality of the human environment.

After due notice by publication in the FEDERAL REGISTER on June 9, 1976, 41 FR 3228, and in the New Era-Program Amherst, Virginia, on June 17, 1976, no issue of substance has been raised by any request to be heard, protest, or petition to intervene filed subsequent to the notice. In addition, by letter filed June 17, 1976, Licensee requested the use of the shortened procedure provided for by § 1.32(b) of the Commission's Rules of Practice and Procedure, 18 C.F.R. 1.32 (b) (1975).

At a hearing held on September 29, 1976, the Commission on its own motion received and made a part of the record in their proceeding all pleadings, submittals, and other evidence filed respecting the application here at issue, and upon consideration of the record.

The Commission finds: (1) The following designated and described Exhibits J, K, and R, as hereinafter modified, generally comply with the Commission's Rules and Regulations and should be approved as part of the license for Project No. 2376:

Exhibit	Sheet	FPC No.	Showing
J. & K.	1 of 2.....	2376-8	Project area and boundary map.
J. & K.	2 of 2.....	2376-9	Do.

Exhibit R (revised January 29, 1976) filed February 6, 1976, consisting of six pages of text and two maps:

Exhibit	Sheet	FPC No.	Showing
R	1 of 2.....	2376-10	Recreation plan.
R	2 of 2.....	2376-11	Monacan recreation area.

Insofar as the revised Exhibit R describes existing recreational development at the project.

(2) The superseded Exhibit J and K (FPC No. 2376-1) should be eliminated from the license.

(3) Approval of the above-designated exhibits would not be a major Federal action significantly affecting the quality of the human environment and, therefore, does not require the preparation of an environmental impact statement pursuant to the National Environmental Policy Act of 1969 and Commission Order 415-C.

The Commission orders: (A) The above designated and described Exhibits J, K and R are hereby approved and made a part of the license for Project No. 2376.

(B) The superseded Exhibit J and K (FPC No. 2376-1) is eliminated from the license.

(C) This order shall become final 30 days from the date of its issuance unless application for rehearing shall be filed as provided in Section 313(a) of the Act, and failure to file such an application shall constitute acceptance of this order. In acknowledgment of the acceptance of this order, it shall be signed for the Licensee and returned to the Commission within 60 days from the issuance of this order.

By the Commission:

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30809 Filed 10-19-76;8:45 am]

[Docket No. RM75-14]

CENTRAL ILLINOIS LIGHT CO.

Order Granting Intervention
Reconsideration

OCTOBER 14, 1976.

On July 27, 1976, the Commission issued Opinion No. 770,¹ (41 FR 33364, August 9, 1976), which set the new nationwide gas rates for the 1975-1976 biennium and updated the rate previously set in Opinion No. 699-H² for the 1973-

¹ Opinion And Order Prescribing Uniform National Rate For Sales Of Natural Gas Dedicated To Interstate Commerce On Or After January 1, 1973, For The Period January 1, 1975 To December 31, 1975, Opinion No. 770, --- FPC --- (July 27, 1976).

² Just And Reasonable National Rates For Sales Of Natural Gas From Wells Commenced On Or After January 1, 1973, And Deductions Of Natural Gas To Interstate Commerce On Or After January 1, 1973, Opinion Nos. 699, et al., Docket No. R-389-B, 52 FPC 2212 (1974), *aff'd*, *Shell Oil Co. v. F.P.C.*, 520 F.2d 1061 (5th Cir. 1975), cert. denied, sub. nom., *Calif. Co. v. F.P.C.*, --- U.S. ---, 44 U.S.L.W. 3716 (June 14, 1976).

1975 biennium. On September 22, 1976, the Commission issued its Order Modifying Opinion No. 770 to the extent that Ordering Paragraph (D) of Opinion No. 770 was changed to permit pipelines using their purchased gas adjustment (PGA) clauses to track producer increases to spread the surcharge covering the post July 27, 1976, period over a twelve month period plus a nine percent carrying charge.

On September 27, 1976, Central Illinois Light Company (CILCO) filed a late petition to intervene and petition for rehearing of Opinion No. 770 and the September 22, 1976, order. Other parties have sought to intervene late in this proceeding,³ and we have permitted such intervention because each party had a substantial interest that may not be adequately represented by any other party to the proceeding. The petition of CILCO presents adequate reasons for us permitting the company to intervene at this time, provided only that CILCO must accept the record as it now stands.

CILCO also seeks rehearing of Opinion No. 770. We will grant reconsideration⁴ for purposes of further consideration, consistent with the action taken in our September 2, 1976, Order Granting Petitions For Rehearing For Purposes Of Further Consideration, Granting Interventions And Providing For Oral Argument.

CILCO further seeks rehearing of the September 22, 1976 order on PGA tracking, despite the clear statement in Ordering Paragraph (B) that the Commission action in amending Opinion No. 770 did not constitute a grant or denial of any petition for rehearing and was without prejudice to any contention made in any application for rehearing. The September 22, 1976, order was intended to provide a temporary method whereby the PGA tracking increases could go into effect commensurate with the September 27, 1976, filing date set in Ordering Paragraph (D) of Opinion No. 770, while preserving the final decision of the surcharge for the Commission's order on rehearing of Opinion No. 770. For this reason, the September 22, 1976, order was neither an order on rehearing of any issue presented in the applications for rehearing of Opinion No. 770, nor a final determination from which would lie a petition for rehearing pursuant to Sec-

³ Senator Hubert H. Humphrey; Senators Abourezk, Durkin and Proxmire and Representatives Bedell, Brodhead, Harrington, Harris, Hughes, Maguire, Moffett, Moss, Ottinger and Selberling; Representatives Oberstar and Studds; Public Utilities Commission of the State of South Dakota; Public Service Commission of Wisconsin; County of Erie New York and City of Buffalo, New York; Montana Consumer Counsel; Congressmen Harold Runnels and Manuel Lujan; State of Utah; Gas Section of the Georgia Municipal Association; George B. Kaiser, President of Kaiser-Francis Oil Company; and Energy Action Committee.

⁴ Since the application for rehearing was not filed within the prescribed 30 day period under Section 19(a) of the Act, we shall treat the application as an application for reconsideration.

tion 19(b) of the Natural Gas Act.⁵ Since the September 22 order is not a final order we shall treat CILCO's application as an application for reconsideration, and as such, shall grant it for purposes of further consideration.

On October 4, 1976, and October 5, 1976, the East Tennessee Group⁶ (East Tennessee) and United Cities Gas Company (United Cities) respectively, filed petitions to intervene and applications for rehearing of Opinion No. 770. On October 6, 1976, the Tennessee Public Service Commission (Tennessee Commission) filed a notice of intervention and petition for rehearing. Our discussion of the CILCO petition and application also applies to East Tennessee, United Cities, and the Tennessee Commission.

The Commission orders: (A) The above-mentioned petitioners are hereby permitted to intervene in this proceeding subject to the rules and regulations of the Commission; *Provided, however*, That participation of such interveners shall be limited to matters affecting asserted rights and interests as specifically set forth in their petitions to intervene; and *Provided, further*, That the admission of such interveners shall not be construed as recognition by the Commission that they might be aggrieved by any order of the Commission entered in this proceeding.

(B) The petitions for reconsideration of Opinion No. 770 and the September 22, 1976, order filed by CILCO and the applications for reconsideration filed by East Tennessee, United Cities, and the Tennessee Commission, are hereby granted for the sole purpose of further consideration.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30829 Filed 10-19-76;8:45 am]

[Docket No. RP75-8 PGA76-8]

COMMERCIAL PIPELINE CO., INC.

PGA Filing

OCTOBER 13, 1976.

Take notice that on October 4, 1976, Commercial Pipeline Company, Inc. (Commercial) tendered for filing Substitute Fifteenth Revised Sheets No. 3A re-

⁵ 15 U.S.C. 717r.

⁶ The East Tennessee Group is comprised of the following private and municipal gas companies: Knoxville Utilities Board, Athens Utilities Board, Citizens Gas Utility District, Cookeville Gas Department, City of Etowah Utilities Department, Fayetteville Gas System, Gallatin Natural Gas System, Harriman Utility Board, Hawkins County Utility District, Lenoir City Utilities Board, Lewisburg Gas Department, Loudon Utilities Board, Madisonville Gas System, First Utility District of Maury County, Middle Tennessee Utility District, Oak Ridge Utility District, Rockwood Natural Gas Company, Marion Natural Gas System, Sweetwater Board of Public Utilities, Jefferson-Cocke County Utility District, Volunteer Natural Gas Company, United Cities Gas Company, and The Elk River Public Utility District.

flecting Purchased Gas Adjustments and effective dates as set out below:

Sheet No.	Current adjustments	Cumulative adjustments	Effective date
3A: Revised....	\$.0603	\$.3873	Oct. 27, 1976

Commercial states that these revisions track precisely similar revisions in the tariff of Cities Service Gas Company, its sole supplier. Commercial requests waiver of notice to the extent required to permit said tariff sheets to become effective as proposed.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 26, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 76-30822 Filed 10-19-76; 8:45 am]

[Docket No. ER76-929]

CONNECTICUT LIGHT & POWER CO.
Purchase Agreement

OCTOBER 13, 1976.

Take notice that on September 30, 1976, The Connecticut Light and Power Company (CL&P) tendered for filing a proposed rate schedule pertaining to a Purchase Agreement with Respect to Montville Unit No. 6 between CL&P and Green Mountain Power Company (GMP) dated as of June 1, 1976.

CL&P states that the Purchase Agreement provides for a sale to GMP of a specified percentage of capacity and energy from CL&P's Montville Unit No. 6 generating unit during the period November 1, 1976 through April 30, 1977.

CL&P requests an effective date of November 1, 1976 for the purchase Agreement.

CL&P also states that the capacity charge provided for in the rate schedule was developed on a cost-of-service basis.

CL&P states that a copy of the rate schedule has been mailed or delivered to CL&P, Hartford, Connecticut and GMP, Burlington, Vermont.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 or 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 20, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 76-30811 Filed 10-19-76; 8:45 am]

[Docket No. CP75-362]

EL PASO NATURAL GAS CO.

Extension of Time

OCTOBER 8, 1976.

On October 8, 1976, Staff Counsel filed a motion to extend the time for responding to the petition for waiver of procedure, and the motion for the establishment of procedure, filed by El Paso Natural Gas Company on September 23, 1976, in the above-designated proceeding.

Upon consideration, notice is hereby given that the time for responding to the above petition and motion is extended to and including October 15, 1976.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 76-30813 Filed 10-19-76; 8:45 am]

[Docket No. CP75-302]

ELIZABETH, LA., AND TENNESSEE GAS PIPELINE CO.

OCTOBER 14, 1976.

On September 3, 1976, the Commission issued an order in the above-styled proceeding directing Tennessee Gas Pipeline Company, a Division of Tenneco Inc. (Tennessee) to continue to sell and deliver up to 500 Mcf of natural gas daily and 50,000 Mcf annually to the Town of Elizabeth, Louisiana, (Elizabeth) for a period of time of not more than six months from the issuance of the aforementioned order or until Elizabeth obtains an alternate source of supply, whichever occurs first.

Tennessee by motion filed on September 10, 1976, requested that the Commission delete the reporting requirements provided for in ordering paragraph (C) of the above-noted order. In that ordering paragraph we required that Tennessee maintain and file monthly reports indicating the customers affected by the additional curtailment imposed upon them as a result of the latter order issued by the Commission requiring Tennessee to supply Elizabeth for a short period of time with its natural gas requirements. The monthly reports were required by the Commission in order to assure that pay back could be made to Tennessee's customers actually affected by the Commission's order when Elizabeth returned to Tennessee the volumes it had received.

In support of its request for deletion of the aforementioned condition Tennessee states that the 500 Mcf of natural gas per day for service to Elizabeth is de minimis and that the filing of monthly reports in the manner prescribed by the Commission is an especially burdensome task.¹ Tennessee further notes that a similar reporting requirement in the Commission's Initial Order issued on September 3, 1975, in this docket was deleted by a subsequent order of the Commission issued on October 20, 1975. Tennessee urges that its problem will be obviated and the public interest still served if the Commission would delete the reporting requirements provided for in ordering paragraph (C) and further direct that

¹ Tennessee in its motion asserts that its average daily sales volume exceeds 2,500,000 Mcf and in the context of its over-all operation its deliveries of gas as required by the Commission to Elizabeth must be considered de minimis.

the volumes to be repaid by Elizabeth to Tennessee should be considered to be part of Tennessee's general system supply for redelivery to Tennessee's customers.

The Commission is of the opinion that there is considerable merit to the suggestion made by Tennessee and that the filing of reports by Tennessee is not warranted under the circumstances. It will accordingly amend ordering paragraph (C) set forth in that order to read as follows:

(C) All volumes received by the Town of Elizabeth pursuant to ordering paragraph (A) above shall be reimbursed by it in kind. Elizabeth's pay-back volumes shall be taken into Tennessee's general system supply for ultimate redelivery to its customers.

The Commission finds: That the amendment to ordering paragraph (C) of the Commission's order issued on September 3, 1976, in the above-styled proceeding as set forth above in the body of this order is required by the public convenience and necessity.

The Commission orders: Ordering paragraph (C) of the Commission's order issued on September 3, 1976, in the above-styled proceeding is hereby amended as specifically provided in the body of this order.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30806 Filed 10-19-76;8:45 am]

[Docket No. ES76-70]

IOWA POWER & LIGHT CO.

Issuance of Common Stock

OCTOBER 12, 1976.

Iowa Power & Light Company (Applicant), on September 13, 1976, filed an application with the Commission, pursuant to Section 204 of the Federal Power Act, seeking authorization to issue, pursuant to its Employee Stock Ownership Plan (the "Plan"), not more than 30,000 shares of the Company's Common Stock of the par value of \$10 per share. The Common Stock issued under the Plan is designed to take advantage of Section 301 of the Tax Reduction Act of 1975 for so long as the Plan so qualifies; the Common Stock will be issued to a trust for the benefit of the Applicant's employees qualifying for the plan.

Applicant is incorporated under the laws of the State of Iowa, with its principal business office at Des Moines, Iowa, and is engaged in the electric and gas utility business within the State of Iowa.

The Applicant will receive no proceeds from the issuance of the Common Stock but will recognize investment tax credits in an amount equal to the value of the stock deposited with the trust. The tax credits will then be used to reduce the amount of income taxes payable by the Applicant.

The Common Stock will be issued and distributed in accordance with the provisions of the Plan, the Employee Stock

Ownership Trust and the Internal Revenue Code of 1954, as amended. Pursuant to the provisions of the Internal Revenue Code of 1954, as amended, relating to employee stock ownership plans, the Applicant will contribute shares of its Common Stock to the Company's Employee Stock Ownership Trust (the "Trust"). The Trustee will allocate the contributed shares of Common Stock among eligible employees (Participants) of the Company in accordance with the terms of the Plan and will hold such Common Stock in trust for the Participants until such time as the Plan provides for or allows distribution. The Trustee of the Employee Stock Ownership Trust shall be the stockholder of record and shall be entitled to dividends (subject to preferences of outstanding shares of cumulative Preferred Stock) from time to time, as and when, and in such amounts, as may be declared by the Board of Directors of the Company from funds legally available.

The Plan and Trust were established, and the Common Stock will be issued for the purpose of qualifying the Applicant for an additional one percent investment tax credit under the provisions of the Internal Revenue Code of 1954, as amended. The entire additional one percent investment tax credit will be allocated, in the form of shares of Common Stock, to eligible employees on the basis of their annual compensation, thereby providing additional compensation to employees and promoting increased employee interest in the Company's business endeavors.

Under the Plan, the value of each share of Common Stock contributed to the Plan will be an amount equal to the average of closing prices of the Company's Common Stock on the New York Stock Exchange for twenty consecutive trading days immediately preceding the date such stock is to be transferred to the Trust.

The proposed issuance of Common Stock is not susceptible to competitive bidding.

Written notice of the application has been given to the Iowa State Commerce Commission and to the Governor of that State. Notice has also been given by publication in the FEDERAL REGISTER, stating that any person desiring to be heard or to make any protest with reference to said application, shall file petitions or protests with the Federal Power Commission, Washington, D.C. 20426, on or before October 13, 1976. No petition, protest or request to be heard in opposition to the granting of the application has been received.

The Commission finds: (1) Applicant, a corporation, is a public utility within the meaning of section 204 of the Federal Power Act, subject to the jurisdiction of the Commission as heretofore described and set forth in the Commission's order issued May 31, 1961, Iowa Power & Light Company, 25 FPC 1063.

(2) The proposed issuance of common stock, as described above, will constitute an issuance of securities within the purview of Section 204 of the Federal Power Act.

(3) Applicant is not organized and operating in a State under the laws of which the security issue here involved is regulated by a State Commission within the meaning of Section 204(f) of the Act; and the proposed issuance of securities is, therefore, not exempt by virtue of that Section from the requirements of Section 204 of the Act.

(4) Under the circumstances of the case, sufficient cause has been shown for exempting the proposed issuance of common stock from the competitive bidding requirements of Section 34.1a (a), (b) and (c) of the Regulations under the Federal Power Act.

(5) The proposed issuance and sale of common stock as hereinafter authorized will be for a lawful object, within the corporate purposes of the Applicant and compatible with the public interest, which is appropriate for and consistent with the proper performance by Applicant of service as a public utility and which will not impair its ability to perform that service and is reasonably necessary and appropriate for such purposes.

(6) The period of public notice given in this matter is reasonable.

The Commission orders: (A) The proposed issuance and sale of Common Stock upon the terms and conditions and for the purposes specified in the application, as described, is hereby authorized, subject to the provisions of this order.

(B) The proposed issuance and sale of common stock shall be exempted from compliance with the competitive bidding requirements of § 34.1a (a), (b) and (c) of the Regulations under the Federal Power Act.

(C) The foregoing authorization is without prejudice to the authority of the Commission, or any other regulatory body with respect to rates, service, accounts, valuation, estimates or determinations of cost or any matter whatsoever now pending or which may come before this Commission.

(D) Nothing in this order shall be construed to imply any guarantee or obligation on the part of the United States with respect to any security to which this order relates.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30808 Filed 10-19-76;8:45 am]

[Docket No. CP77-1]

MCCULLOCH INTERSTATE GAS CO.

Application

OCTOBER 13, 1976.

Take notice that on October 1, 1976, McCulloch Interstate Gas Corporation (Applicant), P.O. Box 3099, Casper, Wyoming 82601, filed in Docket No. CP77-1 an application pursuant to Section 7(b) of the Natural Gas Act for permission and approval to abandon (1) all of its interstate facilities, (2) the sale of natural gas for resale in interstate commerce to Colorado Interstate Gas Company (CIG) under Applicant's rate schedule PL-1, and (3) the transportation service

provided to CIG under Applicant's rate schedule X-1, and to assign to McCulloch Gas Processing Corporation (McCulloch Gas Processing) the transportation service provided to Atlantic Richfield Company under the transportation agreement dated September 1, 1969, all as more fully set forth in the application on file with the Commission and open to public inspection.

Applicant proposes to sell and CIG agrees to purchase the following facilities:

(1) The 16-inch line extending approximately 71 miles from the outlet of the Hilgert Plant owned by McCulloch Gas Processing in Section 26, Township 45 North, Range 71 West, Campbell County, Wyoming, to CIG's Powder River Lateral in Section 34, Township 36 North, Range 73 West, Converse County, Wyoming;

(2) An inert gas generation plant located at the Hilgert Plant site;

(3) Measurement facilities in or near Section 26, Township 38 North, Range 73 West, Converse County, Wyoming, used for the purchase of gas from the Superior Oil Company (Superior) in the Bear Creek Field, Converse County, Wyoming; and

(4) Approximately 3.5 miles of 4-inch pipeline and certain measurement facilities located primarily in Township 39 North, Range 73 West, Converse County, Wyoming, and used for the purchase of gas from Clyde C. Lamar and William L. Pease (Lamar and Pease) in the Manning Field, Converse County, Wyoming.

It is proposed that CIG would pay the higher of net book value or fair market salvage value for the facilities, less principal and accrued interest on an outstanding loan and an outstanding advance payment to Applicant. The original cost of the facilities to be acquired, along with line pack and certain intangibles, is estimated to be \$5,543,985 with the net book value of such facilities plus payments for line pack and intangibles projected to be \$3,407,013 as of December 31, 1976, it is said. The estimated balance due on outstanding loans and an advance payment of December 31, 1976, is said to be \$3,336,159, leaving a cash difference of \$71,754.

Applicant states that in addition to the sale of the facilities listed above, the July 16, 1976, agreement with CIG provides that Applicant would assign to CIG (1) a gas purchase agreement dated July 21, 1972, with Superior for the purchase of gas produced by Superior in the Bear Creek Field and (2) a gas purchase agreement dated April 1, 1976, with Lamar and Pease for the purchase of certain gas produced in the Manning Field. Further, it is said that Applicant has contracted with Champlin Petroleum Company (Champlin) for additional gas in the Manning Field and upon grant of the authority sought herein Applicant would also assign to CIG the August 19, 1976, agreement with Champlin.

Pursuant to the proposed gas sales contract between McCulloch Gas Processing and CIG, which would supplant Applicant's rate schedule PL-1, it is said, McCulloch Gas Processing agrees to sell and deliver to CIG:

(1) 25 percent of the residue gas from the Hilgert Plant attributable to the Hilgert Field, as defined in the gas sales contract; and

(2) Approximately 50 percent of the residue gas from the Well Draw Gas Plant attributable to gas produced from the Well Draw Field, as defined in the gas sales contract.

It is stated that in addition to the above, pursuant to the CIG acquisition agreement, Applicant and its affiliated companies grant to CIG the "right of first refusal" to purchase gas or meet any bona fide offer to purchase gas which such companies may have from time to time for sale in interstate commerce from the Powder River Basin of Wyoming and Montana. Applicant indicates that the terms and conditions under which such gas would be sold to CIG would be no worse than those in the bona fide offer, if any, or in the proposed gas sales contract.

It is said that Applicant presently transports certain volumes of gas in its 16-inch line which are delivered to McCulloch Gas Transmission Company (McCulloch Gas Transmission) in the franchise area granted to it by the Wyoming Public Service Commission (Wyoming PSC). After the proposed acquisition, CIG would transport the required volumes to facilitate continuation of service to McCulloch Gas Transmission's intrastate customers, it is said, up to a maximum of 1,500 Mcf of gas per day.

Applicant states that either party may terminate the acquisition agreement under any of the following circumstances:

(1) Refusal of the Commission to allow rate base and cost-of-service treatment to CIG of the assets acquired.

(2) Failure of parties to resolve any dispute as to valuation of property within ten business days after dispute arises.

(3) Failure of any party to obtain necessary corporate approvals of this transaction.

(4) Failure of any party to obtain satisfactory regulatory approvals which are necessary for the transaction.

(5) Damage to facilities sufficient to defeat the purposes of the agreement.

The closing date is said to be the mutually agreeable date within 30 days after receipt of all necessary regulatory approval.

It is stated that CIG has the right to connect to the 16-inch line any new gas supplies it acquires pending closing of the sale. Further, it is said that Applicant has the right to purchase up to 25 percent of such gas from the day of connection to the date of closing, and if the sale is not consummated, Applicant's right to purchase continues, but CIG's right to connect, without subsequent agreement, terminates.

Applicant proposes to sell and McCulloch Gas Transmission agrees to purchase the following facilities all located in Campbell County, Wyoming:

(1) 39.8 miles of 6-inch pipeline from the Recluse Processing Plant in Section 5, Township 56 North, Range 74 West, to Kitty Junction, in or near Section 7, Township 51 North, Range 73 West.

(2) 10 Miles of 8-inch pipeline from Kitty Junction to the Kitty Plant in Section 18, Township 50 North, Range 73 West.

(3) 38 miles of 12-inch pipeline from the Kitty Plant to the Hilgert Plant.

(4) The Oedekoven Lateral, 3.5 miles of 6-inch pipeline connecting with the Recluse

to Kitty Junction line in Section 25, Township 54 North, Range 74 West.

(5) The Gas Draw Lateral, 7.5 miles of 4-inch pipeline connecting with the Recluse to Kitty Junction line in Section 25, Township 54 North, Range 74 West.

(6) The Jamison Prong Lateral, 2.1 miles of 4-inch pipeline connecting with the Kitty Junction to Kitty lines in Section 14, Township 51 North, Range 73 West.

(7) The Gas Draw Junction Compressor Station with 1,500 compressor horsepower, located in Section 25, Township 54 North, Range 74 West.

(8) 250 compressor horsepower located at the Jamison Prong Plant in Section 3, Township 51 North, Range 73 West.

Applicant proposes to sell and McCulloch Gas Processing agrees to purchase a 4,000 horsepower compressor located at the Hilgert Plant in Section 26, Township 45 North, Range 71 West, Campbell County, Wyoming.

It is stated that McCulloch Gas Transmission as consideration for this sale would assume, subject to the approval of the Wyoming PSC, all outstanding obligations of Applicant relative to the facilities, properties, and corollary agreements being acquired. Further, it is said that McCulloch Gas Processing would assume as consideration all outstanding obligations of Applicant relative to certain corollary agreements enumerated in the McCulloch acquisition agreement.

McCulloch Gas Transmission, it is said, would assume the obligations of the following contracts of Applicant:

(1) A gas sales purchase agreement between Applicant and Kissinger Petroleum Company dated February 23, 1973; a gas sales and purchase agreement between Jack Grynberg & Associates and Applicant dated July 19, 1973; a gas sales and purchase contract between Fred Goodstein and Applicant dated January 7, 1974; a gas sales and purchase contract between Ranger Oil Company and Applicant dated April 23, 1973; a gas sales and purchase contract between Darenco, Inc. (CRA, Inc.) and Applicant dated May 15, 1972; a gas sales and purchase agreement with Exeter Drilling and Exploration dated February 9, 1973; a gas sales and purchase contract between Interstate American Petroleum Corporation and Applicant dated July 19, 1973; a gas sales and purchase contract between Haynie & Mayer, et al., dated April 1, 1974.

(2) A gas sales and purchase contract dated February 1, 1970, as amended, between Applicant and McCulloch Gas Transmission would be terminated as of the closing date and a new gas sales agreement would be executed by and between McCulloch Gas Transmission and McCulloch Gas Processing.

(3) McCulloch Gas Transmission would enter into a transportation agreement under which McCulloch Gas Processing would transport gas for McCulloch Gas Transmission.

It is said that McCulloch Gas Processing would assume the following obligations of Applicant:

(1) The gas sales and purchase contract dated February 1, 1970, as amended, between Applicant and McCulloch Gas Processing would be deemed terminated as of the closing date and a new gas sales agreement would be executed by and between CIG and McCulloch Gas Processing upon Commission approval to supersede that certain gas purchase and exchange agreement between CIG and Applicant dated January 28, 1970 as amended.

(2) McCulloch Gas Processing would enter into a transportation agreement under which it would transport gas for McCulloch Gas Transmission.

(3) McCulloch Gas Processing would assume the gas transportation service obligations of the transportation agreement between Atlantic Richfield Company and Applicant dated September 1, 1969. McCulloch Gas Processing would acquire 25 percent of the rights to gas in the Hilgert Field and 50 percent of the rights to gas in the Well Draw Field, which gas would be sold to CIG pursuant to a gas sales contract. The remaining rights to gas in such fields would be acquired by McCulloch Gas Transmission.

Applicant states that any party may terminate the McCulloch acquisition agreement under any of the following circumstances:

(1) Refusal of the Wyoming PSC to allow McCulloch Gas Transmission rate base and cost-of-service treatment of the assets acquired.

(2) Failure of any party to obtain requisite regulatory approval which is necessary to the transaction.

(3) Damage to the facilities sufficient to defeat the purposes of the agreement.

The closing date is said to be the mutually agreeable date within 30 days after receipt of all necessary regulatory approval.

It is stated that during the interim period of time between the execution of the McCulloch acquisition agreement and the closing date, Applicant would continue the normal day-to-day operations with respect to the facilities, properties, and agreements to be conveyed to McCulloch Gas Transmission and McCulloch Gas Processing.

Applicant, McCulloch Gas Transmission, and McCulloch Gas Processing are affiliated companies and are wholly-owned subsidiaries of McCulloch Oil Corporation.

Applicant states that the estimated net book values of facilities and other assets, including line pack and intangibles, to be sold to CIG, McCulloch Gas Transmission, and McCulloch Gas Processing are \$3,407,913, \$1,831,653, and \$434,871, respectively, at December 31, 1976.

Under the proposed abandonment Applicant would cease to be a "natural gas company" under the Act, it is said. After the proposed abandonment, the sale to CIG under rate schedule PL-1 would be supplanted by a new sale to be made by McCulloch Gas Processing, pursuant to an application being filed concurrently herewith, and as the facilities utilized by Applicant to transport gas for CIG under rate schedule X-1 would be sold to CIG, the transportation service would, ceasing are \$3,407,913, \$1,831,653, and in effect, be continued by CIG, it is stated.

Applicant asserts that the authorization requested is necessary for the following reasons:

By an order issued August 5, 1975, by the Wyoming PSC to McCulloch Gas Transmission in its rate increase filing under Docket No. 9601, the Commission ordered that certain required studies and reports be filed by McCulloch Gas Trans-

mission and Applicant, including, but not limited to:

(1) To undertake studies concerning possible emergency restructuring of their operations into one intrastate utility entity to avoid the increment resulting from resale between them and to provide for a concerted one-company approach for obtaining new gas supplies;

(2) To report concerning sale of the McCulloch utility systems to or merger with an operating utility whose broader based utility supply and ability to compete for new supplies would make continued operations feasible.

In conformance with the foregoing order of the Wyoming PSC, the management of McCulloch Gas Transmission and Applicant have given substantial deliberation to the possible viable alternatives for best serving the public convenience and necessity of both of their respective intrastate and interstate customers and have determined that the proposed abandonment and acquisition of facilities, sales and services by McCulloch Gas Transmission, McCulloch Gas Processing, and CIG best achieves such objectives.

Applicant has made numerous filings¹ with the FPC in which it has pointed out the serious decline in its available gas supply as well as its inability to compete for new gas supplies against companies, which it submits were subject to the jurisdiction of the Commission, but over whose facilities the Commission chose not to exercise jurisdiction, or, in the alternative, to conduct a fact finding proceeding to determine whether or not such duplication of Applicant's facilities served the public convenience and necessity.

Applicant believes that through the proposed abandonment and acquisition CIG can more effectively compete with existing companies in the Powder River Basin and thereby better serve the public convenience and necessity of the interstate market; and, McCulloch Gas Transmission's acquisition would enable that intrastate utility to avoid the indirect increment resulting from resale between itself and Applicant and to provide a concerted one-company approach for obtaining directly new gas supplies for the intrastate market.

Any person desiring to be heard or to make any protest with reference to said application should on or before November 2, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act

¹ Panhandle Eastern Pipeline Company, et al., Docket No. CP70-243, 47 FPC 1088 (1972); Phillips Petroleum Company, Docket No. CI73-736; Phillips Petroleum Company, Docket No. CI75-42, rehearing denied, on appeal, *McCulloch Interstate Gas Corporation v. FPC* (10th Cir. 1976); *McCulloch Interstate Gas Corporation v. Phillips Petroleum Company and Panhandle Eastern Pipe Line Company*, Docket No. CP76-274.

(18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30818 Filed 10-19-76;8:45 am]

[Docket No. CP73-147]

MICHIGAN WISCONSIN PIPE LINE CO., ET AL.

Certificate of Public Convenience and Necessity and Granting Petition to Intervene

OCTOBER 14, 1976.

On May 12, 1976, Michigan Wisconsin Pipe Line Company (Mich-Wisc), Trunkline Gas Company (Trunkline), and Panhandle Eastern Pipe Line Company (Panhandle) filed in Docket No. CP73-147 a petition to amend the order of the Commission issuing a certificate of public convenience and necessity in said docket on April 6, 1973 (49 FPC 872), pursuant to Section 7(c) of the Natural Gas Act by authorizing the continuation of the delivery of natural gas by Mich-Wisc to Trunkline and the transportation of natural gas by Trunkline and Panhandle for Mich-Wisc at an increased rate, all as more fully set forth in the petition to amend in this proceeding.

Under prior authorization in the subject docket, Mich-Wisc was authorized to exchange up to 8,000,000 Mcf of natural gas with Trunkline and to deliver additional natural gas to Trunkline in St. Mary Parish, Louisiana, for further transportation by Trunkline and Panhandle and for the ultimate delivery of such gas to Mich-Wisc at points of delivery in Mich-Wisc's market area, under an exchange and transportation agreement, as amended, expiring April 30, 1976. Under this agreement, Trunkline has received approximately 3.2 million

Mcf of gas and transported 47.5 million Mcf of gas through February 1976.

Petitioners now request the Commission to extend the authorized term for delivery of the transportation gas through October 31, 1977, and to allow the transportation rate paid by Mich-Wisc to Trunkline and Panhandle to increase from 21.5 cents per Mcf to 31.0 cents per Mcf.¹ This increase is based upon Trunkline's and Panhandle's current transmission costs.

After due notice by publication in the FEDERAL REGISTER on May 27, 1976 (41 FR 21697), a petition to intervene was filed by Wisconsin Gas Company. Wisconsin Gas alleges that it has a direct interest in this proceeding since it is a customer of Mich-Wisc. No further petitions to intervene, notices of intervention, or protests to the granting of the petition have been filed.

The Commission finds: (1) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and the public convenience and necessity require that the order of the Commission issued in Docket No. CP73-147, as amended, be further amended as herein-after ordered and conditioned.

(2) Participation by Wisconsin Gas Company in this proceeding may be in the public interest.

The Commission orders: (A) Upon the terms and conditions of this order, the order issuing a certificate of public convenience and necessity in Docket No. CP73-147 is amended by authorizing the continuation of the transportation of natural gas by Trunkline and Panhandle at an increased rate, as hereinbefore described and as more fully described in the petition to amend in this proceeding. In all other respects said order shall remain in full force and effect.

(B) Wisconsin Gas Company is permitted to intervene in this proceeding subject to the rules and regulations of the Commission: *Provided, however*, that participation of such intervenor shall be limited to matters affecting asserted rights and interests as specifically set forth in the petition to intervene; and *Provided, further*, that the admission of such intervenor shall not be construed as recognition by the Commission that it might be aggrieved because of any order of the Commission entered in this proceeding.

(C) Trunkline and Panhandle shall file the amended agreement providing for the subject service as revisions to their FPC Gas Tariffs pursuant to § 154.22 of the Commission's Regulations.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30816 Filed 10-19-76;8:45 am]

¹ Twenty-six cents per Mcf is to be paid to Trunkline and five cents is to be paid to Panhandle.

[Docket No. ER76-914]
MISSISSIPPI POWER CO.
Revised Tariff Sheet

OCTOBER 13, 1976.

Take notice that on September 22, 1976, Mississippi Power Company (MPCo) tendered for filing Second Revised Sheet No. 14 to its FPC Electric Tariff Original Volume No. 1. MPCo states that the effect of the Revised Sheet is to provide that MPCo will serve all of its wholesale electric cooperative customers' (EPA's) requirements in excess of the amount obtained from Southeastern Power Administration (SEPA). MPCo states that SEPA and its EPA's entered into contracts where SEPA will supply a portion of the EPA's power requirements as preference customers.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 20, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30828 Filed 10-19-76;8:45 am]

[Docket No. RP74-96]

NATURAL GAS PIPELINE CO. OF AMERICA
Rehearing

OCTOBER 13, 1976.

The Commission accepted for filing, subject to refund, revised tariff sheets of Natural Gas Pipeline Company of America (Natural) by order issued August 13, 1976. Northern Illinois Gas Company (NI Gas) filed on September 13, 1976 a Petition for Rehearing of the August 13 order. The Commission shall grant rehearing for purposes of further consideration of NI Gas' petition.

The Commission orders: (A) Rehearing of the August 13, 1976 order in this docket is hereby granted for purposes of further consideration.

(B) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30815 Filed 10-19-76;8:45 am]

[Docket No. ER76-915]
NORTHERN INDIANA PUBLIC SERVICE CO.

Tariff Change and Supplements to Service Agreements

OCTOBER 13, 1976.

Take notice that on September 22, 1976, Northern Indiana Public Service Company (NIPS) tendered for filing Fourth Revised Sheet No. 3 to its FPC Electric Service Tariff-Second Revised Volume No. 1, which has been revised to include additional delivery points for Kankakee Valley Rural Electric Membership Corporation-Morgan and Warren County Rural Electric Membership Corporation-Dunnington. NIPS also tendered for filing Exhibit B-11, a supplement to the Service Agreement between NIPS and Kankakee Valley Rural Electric Membership Corporation, which covers the supply of electric energy for resale at a delivery point located in Morgan Township, Porter County, Indiana, according to NIPS. NIPS also tendered for filing Exhibit B-4, a Supplement to the Service Agreement between NIPS and Warren County Rural Electric Membership Corporation, which covers the supply of electric energy for resale at a delivery point located in Benton Township, Boone County, Indiana, according to NIPS.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 C.F.R. 1.8, 1.10). All such petitions or protests should be filed on or before October 20, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30812 Filed 10-19-76;8:45 am]

[Docket No. CP77-5]

NORTHERN NATURAL GAS CO.
Application

OCTOBER 13, 1976.

Take notice that on October 4, 1976, Northern Natural Gas Company (Applicant), 2223 Dodge Street, Omaha, Nebraska 68102, filed in Docket No. CP77-5 an application pursuant to Section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the addition of three firm large volume industrial customers to the Di-

rectory of Communities Served, at the request of Iowa Power and Light Company (Iowa Power), one of Applicant's utility customers, all as more fully set forth in the application on file with the Commission and open to public inspection.

Applicant states that Iowa Power has requested that the following firm service customers served by Iowa Power be added to the Directory of Communities Served at the stated maximum daily quantity of natural gas:

	Maximum daily quantity (1,000 ft ³)
American Beef Packers Inc., Oakland, Iowa	868
Massey-Ferguson, Inc. (implement plant), Des Moines, Iowa	413
Meredith Corp. Printing Group (printing plant), Des Moines, Iowa	1,546

It is said that Iowa Power commenced firm service to these customers as follows: American Beef, September 29, 1966; Massey Ferguson, March 31, 1966; and Meredith Printing Group, December 29, 1958. Each of these customers, it is stated was properly classed as small volume when it first took service and added load until, at some point, it became large volume. Applicant indicates that these consumers have been supplied by Iowa Power from its contract demand assigned to the towns of Oakland and Des Moines, Iowa, and that on approval to add these large volume firm service customers to the Directory of Communities Served, Iowa Power's contract demand assigned to Oakland and Des Moines, Iowa, would be reduced by 868 Mcf and 1959 Mcf, respectively.

Any person desiring to be heard or to make any protest with reference to said application should on or before November 2, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if

the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30824 Filed 10-19-76;8:45 am]

[Docket No. RP76-52 et al.]

NORTHERN NATURAL GAS CO.

Revised Tariff Sheets

OCTOBER 13, 1976.

Take notice that October 1, 1976, Northern Natural Gas Company (Petitioner), 2223 Dodge Street, Omaha, Nebraska 68102, filed in Docket No. RP76-52 et al. as a part of its FPC Gas Tariff, Third Revised Volume No. 1 the following tariff sheets:

Fifth Revised Sheet No. 59, Superseding Substitute Fourth Revised Sheet No. 59;
Fifth Revised Sheet No. 59a, Superseding Substitute Fourth Revised Sheet No. 59a;
Fifth Revised Sheet No. 59b, Superseding Substitute Fourth Revised Sheet No. 59b;
Third Revised Sheet No. 59c, Superseding Substitute Second Revised Sheet No. 59c;
Third Revised Sheet No. 59d, Superseding Substitute Second Revised Sheet No. 59d;
Third Revised Sheet No. 59e, Superseding Substitute Second Revised Sheet No. 59e;
Third Revised Sheet No. 59f, Superseding Substitute Second Revised Sheet No. 59f;
Second Revised Sheet No. 59g, Superseding Substitute, First Revised Sheet No. 59g;
Second Revised Sheet No. 59h, Superseding Substitute First Revised Sheet No. 59h;
Second Revised Sheet No. 59i, Superseding Substitute First Revised Sheet No. 59i;
Second Revised Sheet No. 59j, Superseding Substitute First Revised Sheet No. 59j;
First Revised Sheet No. 59k, Superseding Original Sheet No. 59k.

By the filing, Northern proposes to alter its presently effective curtailment plan by eliminating Category 11A from the curtailment plan. Northern states that "the principal reason for the proposed change of Category 11A is to place those consumers who purchase natural gas on a firm basis for electrical generation into their appropriate priority classification under Northern's curtailment plan. While the issue of firm sales for electrical generation is being litigated." Northern states that it has been advised by certain interveners in the curtailment proceeding that plant shutdown and consequent unemployment may result from the effectuation at this time of the proposed Category 11A.

Northern requests that the tariff sheets be accepted for filing and made effective as of the date of such order or on the alternative that the tariff sheets be suspended for one day so that Northern can move to make such sheets effective at the end of the suspension period.

Northern states that a copy of this filing has been mailed to each of Northern's Gas Utility Customers and interested State Commissions and that a copy

of this filing is also available for public inspection in a convenient form and place at Northern's office in Omaha, Nebraska.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20476, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 26, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a petition to intervene. Copies of the filing are on file with the Commission and available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30820 Filed 10-19-76;8:45 am]

[Docket No. CP75-294]

NORTHWEST PIPELINE CORP.

Petition To Amend

OCTOBER 13, 1976.

Take notice that on September 30, 1976, Northwest Pipeline Corporation (Petitioner), P.O. Box 1526, Salt Lake City, Utah 84110, filed in Docket No. CP75-294 a petition to amend the order of August 31, 1976, issuing a certificate of public convenience and necessity in said docket pursuant to Section 7(c) of the Natural Gas Act, by which petition Petitioner requests authorization for the sale, transportation, and exchange of natural gas with Colorado Interstate Gas Company (CIG) pursuant to a new gas purchase, transportation, and exchange agreement dated May 7, 1976, between Petitioner and CIG, all as more fully set forth in the petition to amend on file with the Commission and open to public inspection.

It is stated that Petitioner has contracted with American Resources, Inc. and Kemmerer Coal Company to purchase a supply of natural gas which was being developed in the Barrel Springs area, Carbon County, Wyoming, which is approximately 92 miles from the nearest point on Petitioner's transmission system. In order to make these volumes available to Petitioner's transmission system, Petitioner originally arranged a sale, transportation, and exchange contract with Mountain Fuel Supply Company (Mt. Fuel), it is said. This contract was terminated for lack of regulatory approval, it is shown, and Petitioner entered into an agreement with CIG on April 7, 1976, in which CIG agreed to transport and exchange the natural gas produced from the acreage dedicated to Petitioner under the American Resources Inc. and Kemmerer Coal Company contracts.

Petitioner states that on April 10, 1975, an application in Docket No. 75-294, as amended April 7, 1976, was

filed requesting a certificate of public convenience and necessity authorizing the sale for resale and the exchange of natural gas from the Barrel Springs area of Carbon County, Wyoming, with CIG. The original application requested the issuance of a certificate authorizing the sale for resale to and the exchange of natural gas from the Barrel Springs area with Mt. Fuel, Petitioner indicates. On April 6, 1976, it is said, the Commission denied the applications of Petitioner and of Mt. Fuel in Docket No. CP75-296 without prejudice to reconsideration upon CIG and Western Transmission Corporation (Western) filing competing applications for the transportation and/or exchange of natural gas in the Barrel Springs area.

Petitioner states that on April 7, 1976, it filed an application to amend in Docket No. CP75-294 and CIG and Western on the same date filed applications in Docket Nos. CP76-331 and CP76-352 respectively, requesting authority for the proposed transportation sale and/or exchange of the gas which Petitioner had under contract in the Barrel Springs area. On April 31, 1976, it is said, the Commission issued the requested authorization to Petitioner, CIG, and Western.

Petitioner requests that the order of August 31, 1976, be amended to authorize the transportation and exchange of natural gas with CIG pursuant to the terms and conditions of a gas purchase, transportation, and exchange agreement dated May 7, 1976, between Petitioner and CIG. Petitioner further seeks authorization for the sale to CIG and for the transportation for CIG of up to 25 percent of the natural gas to be delivered to CIG for exchange.

It is stated that Petitioner requested that CIG consider expanding the area covered by the April 7, 1976, agreement so as to provide Petitioner with access to an area larger than the Barrel Springs unit to provide new gas supplies in Carbon County, Wyoming. Petitioner indicates that CIG agreed to an expanded area whereupon CIG and Petitioner entered into a new agreement dated May 7, 1976, providing for the transportation and exchange of natural gas from an area covering approximately 31 townships in Sweetwater County, Wyoming. This agreement, it is said, provides for an enlarged area from which Petitioner can deliver natural gas to CIG or Western for redelivery to Petitioner at an existing point of delivery on Petitioner's transmission system. Petitioner states that the gas so delivered and received for exchange would be balanced on a BTU basis and such balancing would, to the extent possible, be made monthly. CIG has agreed to transport or exchange natural gas for Petitioner and has agreed to undertake any necessary arrangements with Western to effectuate such transportation or exchange, it is shown.

Petitioner states that CIG would purchase from Petitioner up to, but not in excess of, 25 percent of the volumes of natural gas delivered to CIG under the terms of the agreement, and CIG's pur-

chase would be based on Petitioner's cost of gas purchases in the area plus Petitioner's cost of gathering in the area.

It is stated that CIG would not be paid a transportation charge for transportation of Petitioner's gas downstream of the delivery points unless CIG should construct facilities to be used to transport Petitioner's volumes from the delivery points to CIG's 22-inch mainline. Petitioner would then reimburse CIG for the cost of service attributable to the transportation of Petitioner's volumes from the delivery points to CIG's 22-inch line, it is said.

CIG and Petitioner recognize that in order to effectuate the exchange, it may be required that CIG enter into a transportation arrangement with Western in order to have the volumes of gas delivered to CIG's mainline system, it is said. It is stated that if such arrangement becomes necessary, Petitioner would reimburse CIG for Western's transportation charge applicable to the gas transported through Western's facilities which are subject to CIG's obligation to redeliver to Petitioner.

Petitioner states that the agreement is for a primary term of 10 years commencing on the first day of the month following the initiation of deliveries thereunder and on a year to year basis thereafter. In the event Petitioner constructs its own facilities, then the agreement would terminate upon the commencement of operation of the facilities, it is said, but Petitioner does not request authority to construct any additional facilities in this application.

It is asserted that Petitioner requires additional natural gas to meet the present and future requirements on its transmission system. The grant of the authorization requested herein, it is indicated, would provide Petitioner direct access to a potential gas supply area, a considerable distance from its main transmission system and would put Petitioner in a competitive position with other purchasers to purchase new gas supply which may be anticipated in this area.

Any person desiring to be heard or to make any protest with reference to said petition to amend should on or before November 1, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 76-30825 Filed 10-19-76; 8:45 am]

[Docket No. CP76-106]

NORTHWEST PIPELINE CORP.

Amendment

OCTOBER 13, 1976.

Take notice that on September 23, 1976, Northwest Pipeline Corporation (Applicant), P.O. Box 1526, Salt Lake City, Utah 84110, filed in Docket No. CP76-106 an amendment to the application of September 29, 1975, in said docket wherein Applicant requests the issuance of a certificate of public convenience and necessity pursuant to Section 7(c) of the Natural Gas Act authorizing the construction and operation of facilities necessary to increase the seasonal and peak day delivery capacity of its Liquid Natural Gas (LNG) storage facility in Benton County, Washington, all as more fully set forth in the application on file with the Commission and open to public inspection.

It is stated that Applicant originally requested authorization to expand its present LNG storage facility in Benton County, Washington, and to increase the seasonal and peak day quantity of liquefied natural gas storage service which it is presently authorized to provide to certain of its existing distribution customers. The proposal would have increased the liquefaction capacity from 6,000 Mcf per day to 16,000 Mcf per day, the storage capacity from 1,200,000 Mcf per day to 3,000,000 Mcf, and the vaporization capacity from 225,000 Mcf per day to 300,000 Mcf per day, it is said.

Applicant proposes to amend the original application as follows:

- (1) To increase the liquefaction and purification facilities from 6,000 Mcf per day to 12,000 Mcf per day.
- (2) To increase the storage capacity of the LNG facility, by the addition of one LNG storage tank having a capacity of 348,000 barrels of liquefied natural gas (1,200,000 Mcf of vaporous natural gas equivalent).
- (3) To add one vaporization unit having a capacity of 75,000 Mcf per day and appurtenant facilities.

Applicant further requests that it be authorized to vaporize and deliver to those of its customers purchasing LS-1 storage service, up to 292,153 Mcf on a daily basis and up to 2,285,168 Mcf seasonally.

Applicant asserts that the proposed LNG storage facilities reflect the level of service desired by Applicant's present LS-1 customers. The LS-1 customers, based upon present projections of available gas supplies to meet peak day requirements, requested Applicant to scale down the LNG expansion as originally proposed to the level requested herein, it is said, because the projected seasonal gas available from Jackson Prairie Storage Field and the additional base supply which would be made available from the Clay Basin Storage reservoir would lower the seasonal volumes from LNG storage. Applicant asserts that, as a result, the LNG plant investment would be reduced by \$4,550,000, thereby reducing the total annual LNG storage cost to its customers. It is said that the LNG facility

would have the capability of providing approximately 8 days of deliverability at maximum sustained vaporization rates as opposed to 10 days as originally proposed.

However, Applicant states that the entire storage capacity of the two storage tanks would not be offered as its seasonal vaporization capacity. Applicant proposes to reserve 4.5 feet (57,416 Mcf) in each of the two storage tanks as cushion gas in order to maintain the LNG storage tanks in a cooled-down condition. It is stated that in order to maintain the integrity of the storage tanks the tanks should not be emptied, thereby not subjecting them to the thermal stress which normally occurs during periods of warm-up and cool-down. Applicant does not, except under emergency conditions, contemplate completely emptying the LNG storage tanks or permitting them to reach a temperature greater than that necessary to maintain a cryogenic condition, it is said.

The amendment indicates that the result of utilizing 9 feet (4½ feet per tank) or 114,832 Mcf of LNG equivalent, as permanent cushion gas, would be to reduce the seasonal quantity available for delivery from 2,400,000 Mcf of natural gas equivalent to 2,285,168 Mcf of natural gas equivalent.

It is stated that Applicant would capitalize the volumes of LNG reserved for the purpose set forth above at its cost of gas at the time the gas is liquefied, which cost would be included in Applicant's rate base attributable to the LNG facility.

Applicant indicates that the cushion gas is presently being reserved to maintain a cold condition for both the existing and the proposed tank, and should this application not be approved Applicant would seek to amend the authorization issued in Docket No. CP74-46 to provide the LNG necessary to maintain the existing tank in a cold condition.

Applicant proposes to start construction of the additional LNG storage tank upon the issuance of an order authorizing such construction and contemplates that it would take not less than two years to complete the entire expansion.

The estimated cost of the facilities is as follows:

Purification unit.....	\$1,262,000
Liquefaction unit.....	3,944,000
Vaporization unit.....	1,497,000
Storage tank.....	6,211,000
Other.....	13,358,000
Cushion gas.....	166,000
Total.....	\$26,438,000

The proposed allocation for the 1978-79 heating season for existing customers under FPC Gas Rate Schedule LS-1 is as follows:

	Storage demand volume (1,000 ft ³)	Storage capacity volume (1,000 ft ³)
California-Pacific Utilities Co.	18,373	164,976
Cascade Natural Gas Co.	57,416	537,990
Intermountain Gas Co.	57,416	582,871
Northwest Natural Gas Co.	57,512	458,278
Peoples Natural Gas	2,392	21,053
Southwest Gas Corp.	22,967	196,000
Washington Natural Gas Co.	53,589	168,708
Washington Water Power Co., The	21,053	146,713
Ellensburg, city of	1,435	8,579
Total	262,153	2,285,168

Applicant states that the cost of service attributable to the expanded LNG facility exceeds the revenue generated by LS-1 rates proposed in Applicant's general rate increase filed in Docket No. RP76-115. The cost of service per each Mcf of gas liquefied, stored, and vaporized at the expanded level of service is presently estimated to be \$4.45, \$4.24, and \$4.04 for the first, second, and third years of operation, respectively. It is said that Applicant, prior to the initiation of proposed increased LS-1 service, would timely file, pursuant to Section 154 of the Commission's Regulations, revised rates as required in order to assure that the revenues received for service rendered under Rate Schedule LS-1 would recover the incremental costs associated with such service.

Any person desiring to be heard or to make any protest with reference to said amendment should on or before October 29, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any party wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules. Persons who have heretofore filed need not file again.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30598 Filed 10-19-76;8:45 am]

[Docket No. E-9503]

NORWOOD, MASS. v. NEW ENGLAND
POWER CO. AND BOSTON EDISON CO.

Order Dismissing Complaint

OCTOBER 12, 1976.

By order issued August 5, 1975, in the above enunciated docket, the Commis-

sion, inter alia, accepted the Town of Norwood, Massachusetts' (Norwood) application under Section 202(b) of the Federal Power Act for filing subject to further order of the Commission upon the basis of answers filed. Specifically, Norwood petitioned the Commission to order the New England Power Company (NEPCO), after notice, investigation and hearing, to sell and deliver firm power and energy to the Town pursuant to Section 202(b) of the Federal Power Act.¹ In addition, Norwood averred that the utility system of Boston Edison Company (Edison) lies between NEPCO and the Town. Therefore, in effectuating the delivery of firm capacity and energy to it, NEPCO will be required to arrange for transmission thereof with Edison over existing Edison facilities which interconnect Norwood and NEPCO.²

Norwood is a municipal electric distribution utility which presently purchases all of its bulk power needs from Edison. NEPCO is the wholesale generation and transmission subsidiary of the New England Electric System which operates in the states of Massachusetts, New Hampshire and Rhode Island. Edison is an integrated generation, transmission and distribution utility serving the Boston, Massachusetts, metropolitan area.

On July 25, 1975, NEPCO filed an Answer, Protest and Petition to Intervene, alleging that Norwood is not ready, willing and able to accept the interconnection which it has sought if the Commission should find it in the public interest and order that an interconnection be established. NEPCO avers further that if certain issues are determined against Norwood in the presently pending Quincy-Weymouth proceeding, it will never be ready, willing or able to accept the interconnection. In addition, NEPCO proffers that Norwood's 202(b) application is premature since it assumes that it will obtain favorable determinations on at least two questions now being decided in the Quincy-Weymouth proceeding.³

Section 32.1(e) of the Commission's Rules of Practice and Procedure,⁴ requires a 202(b) application to describe the proposed interconnection showing proposed location, capacity and type of construction. In response to that section, Norwood states:

"The proposed interconnection will not entail the construction of any new facility, since it will be effectuated by use of existing transmission facilities owned by Boston Edison Company which interconnect at several

¹ See Norwood's Complaint under 202(b), filed June 18, 1975, p. 9.

² Ibid.

³ See Docket Nos. E-8187 and E-8700.

⁴ 18 CFR 32.1(e).

locations with the transmission system of NEPCO and also with the Norwood system."⁵ Norwood cannot now state as a fact that the Edison facilities will be used to effectuate the interconnection since one of the central issues to be determined in Docket Nos. E-8187 and E-8700 is whether firm power transmission by Edison from NEPCO to Norwood is in the public interest and thus whether Edison is entitled to a declaratory order from the Commission that Edison is not legally obligated to provide such service.

Section 202(b) of the Federal Power Act, in our opinion, gives the Commission authority to order a public utility to interconnect its transmission facilities with the facilities of an applicant who is currently engaged in the transmission or sale of electric energy, and to sell or exchange energy with such persons.⁶ After appropriate notice and opportunity for hearing, the Commission can exercise its authority under this section if such action is consistent with the public interest. The Commission's authority to order interconnections is subject to certain limitations. The Commission cannot compel the enlargement of generating facilities for such purposes; nor can it compel such public utility to sell or exchange energy when to do so would impair its ability to render adequate service to its customers.

After careful analysis and review of the pleadings in this filing, it is our opinion that Norwood does not seek to "establish the physical connection of its transmission facilities with the facilities of one or more other persons engaged in the transmission or sale of electric energy", within the meaning of Section 202(b) of the Act. Our decision is bottomed upon the following language in Norwood's 202(b) application:

"* * * (T)he Town of Norwood, * * *, respectfully petitions this Commission to order the New England Power Company after notice, investigation, and hearing, to sell and deliver firm power and energy to the Town pursuant to Section 202(b) of the Act."

"The utility system of Boston Edison Company lies between NEPCO and the Town. Therefore, in effectuating the delivery of firm capacity and energy to Norwood, NEPCO will be required to arrange for transmission thereof with Boston Edison Company over existing Edison facilities which interconnect Norwood and NEPCO, * * *"

"The proposed interconnection will not entail the construction of any new facility, since it will be effectuated by the use of

existing transmission facilities owned by Edison which interconnect at several locations with the transmission system of NEPCO and also with the Norwood system. * * *"

From the foregoing, it is clear that Norwood does not seek to physically interconnect its transmission facilities with those of NEPCO, within the meaning of Section 202(b) of the Act. Rather, it is obvious that Norwood seeks to use Edison's transmission facilities to have electrical energy wheeled from the NEPCO system to the Norwood system. The United States Supreme Court in *Otter Tail Power Company v. United States*, 410 U.S. 366, 375 (1973) held that the Federal Power Act does not vest authority in the Commission to direct an electric company to provide wheeling service. Based on this holding, we are dismissing Norwood's complaint for failure to state a claim upon which relief can be granted.

The Commission finds: The Town of Norwood, Massachusetts, has failed to state a claim upon which relief can be granted within the meaning of Section 202(b) of the Federal Power Act, and the complaint is hereby dismissed.

The Commission orders: (A) That the notice of intervention filed by the New England Power Company is rendered moot by virtue of our lack of jurisdiction to consider Norwood's application.

(B) That the Town of Norwood's application for interconnection under Section 202(b) of the Federal Power Act is hereby dismissed.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30810 Filed 10-19-76;8:45 am]

[Docket No. ER76-922]

ORANGE & ROCKLAND UTILITIES, INC.

Change in Electric Rate Schedule

OCTOBER 13, 1976.

Take notice that Orange and Rockland Utilities, Inc. (ORU) on September 27, 1976, tendered for filing as a Supplemental Rate Schedule an extension of the term of ORU FPC Rate Schedule No. 36 from October 23, 1976 to April 16, 1977, according to ORU. ORU states that the supplemental agreement provides for the exchange of 200 MW of electric generating capability between Orange and Rockland Utilities, Inc., and Consolidated Edison Company of New York, Inc., during the period October 24, 1976 to April 30, 1977 unless sooner terminated by Con Edison in accordance with the terms of the Agreement.

ORU requests an effective date for the supplemental agreement of October 24, 1976.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Pro-

* Ibid, p. 15.

cedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 19, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30817 Filed 10-19-76;8:45 am]

[Docket No. ER77-5]

OTTER TAIL POWER CO.

Filing Initial Rate Schedule

OCTOBER 14, 1976.

Take notice, that on October 4, 1976, Otter Tail Power Company (Otter Tail) tendered for filing an Initial Rate Schedule providing for a compensatory rate for firm wheeling service for municipalities.

Otter Tail states that the rate basis is its fully allocable costs for furnishing firm transmission service under a compensatory rate filed with and approved by the Federal Power Commission, as provided in the judgment in the anti-trust case, affirmed by the U.S. Supreme Court in *Otter Tail Power Company v. United States*, 410 U.S. 366 (1973). Applicant states that the rate is designed to produce a return substantially equal to its overall rate of return.

Otter Tail states that copies of its filing have been mailed to 15 municipalities who may apply for transmission service under this Schedule, and Otter Tail requests an effective date of January 1, 1977.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 29, 1976. Protest will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30803 Filed 10-19-76;8:45 am]

PANHANDLE EASTERN PIPE LINE CO.

[Docket No. CP77-2]

Application

OCTOBER 13, 1976.

Take notice that on October 1, 1976, Panhandle Eastern Pipe Line Company,

(Applicant), P.O. Box 1642, Houston, Texas 77001, filed in Docket No. CP77-2 an application pursuant to Section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the exchange of natural gas with Michigan Wisconsin Pipe Line Company (Michigan Wisconsin) on an emergency basis and the retention in place of facilities constructed for emergency operations, such facilities comprising an interconnection between the pipeline system of Applicant and Michigan Wisconsin's Dewey area gathering system in Dewey County, Oklahoma, all as more fully set forth in the application on file with the Commission and open to public inspection.

Applicant states that pursuant to the terms of an earlier emergency transportation arrangement with Michigan Wisconsin, Applicant, on August 2, 1976, began providing emergency transportation of gas for a 60-day period. Incident to effectuating the transportation service and pursuant to the provisions of §157.22 of the Commission's Regulations, an interconnection between the Dewey County, Oklahoma, gathering system of Michigan Wisconsin and the pipeline system of Applicant was constructed for emergency operations, it said. Applicant indicates that its portion of the interconnection comprises a tap made by Applicant on its 22-inch pipeline to connect to Michigan Wisconsin's facilities located in Section 19, Dewey County, Oklahoma, which connect Applicant's 22-inch pipeline, and Michigan Wisconsin's 16-inch Trunk 464 extension. These facilities were placed in service for emergency operation on August 2, 1976, it is stated.

Applicant requests authorization to retain such facilities in place to serve as an emergency interconnection for the purpose of providing additional operating flexibility for both it and Michigan Wisconsin, inasmuch as the facilities can be used for the purpose of making deliveries of natural gas by either party to the other. Applicant further requests authorization to exchange natural gas with Michigan Wisconsin in accordance with the terms and conditions set forth in the agreement dated September 20, 1976, between said parties.

According to that agreement, the proposed emergency interconnection would be used after the expiration of the sixty-day emergency period when either Michigan Wisconsin or Applicant is confronted with an emergency on its system which can be alleviated by deliveries of natural gas from the system of the other, it is said. In that event, the application indicates, either party would, upon request, make such emergency deliveries of natural gas at the interconnection, not to exceed 100,000 Mcf per day, and that as soon as feasible, the party receiving the gas would tender natural gas to the other at the same interconnection point that the original delivery was made.

It is stated that the estimated cost of the facilities, which were previously con-

structed and are presently in service, is \$11,500, for which Michigan Wisconsin has agreed to reimburse Applicant.

Any person desiring to be heard or to make any protest with reference to said application should on or before November 3, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30819 Filed 10-19-76;8:45 am]

[Docket No. CP77-4]

SOUTH GEORGIA NATURAL GAS CO.

Application

OCTOBER 13, 1976.

Take notice that on October 4, 1976, South Georgia Natural Gas Company (Applicant), P.O. Box 1279, Thomasville, Georgia 31792, filed in Docket No. CP77-4 an application pursuant to Section 7(b) of the Natural Gas Act for permission and approval for the abandonment of 1,328 feet of natural gas pipeline by the sale of the pipeline to the City of Andersonville, Georgia (Andersonville), all as more fully set forth in the application on file with the Commission and open to public inspection.

Applicant proposes to sell the 4½-inch O.D. transmission line, designated as Applicant's Line No. 57 and extending from Applicant's No. 1 Meter Station to Andersonville's No. 2 Meter Station, to Andersonville and to move the metering

and regulating station in an easterly direction so that the transmission line would become a part of Andersonville's distribution system.

It is said that Andersonville has agreed to purchase the gas transmission line for a sum equal to the depreciated book value of the line at the time the transaction is completed, which sum is estimated to be \$2,849.63 at June 30, 1976.

Applicant asserts that modification of certain industrial facilities has resulted in the general area of Applicant's entire Line No. 57 becoming encompassed. It is stated that a large industrial complex is located adjacent to said line and it is desirable to both Andersonville and Applicant that the pressure on this line be reduced to intermediate pressure.

Further, it is said that during inclement weather, accessibility to the present metering and regulating station is difficult and relocation of these facilities would eliminate this problem.

Applicant states that no new or increased sales or other changes in Applicant's operations would result from the approval of this application.

Any person desiring to be heard or to make any protest with reference to said application should on or before November 4, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that permission and approval for the proposed abandonment are required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30821 Filed 10-19-76;8:45 am]

[Docket No. RP 76-150]

SOUTH TEXAS NATURAL GAS GATHERING CO.**Filing of Amendment to Contract**

OCTOBER 14, 1976.

Take notice that on August 19, 1976, South Texas Natural Gas Gathering Company tendered for filing an Amendment dated August 4, 1976 to South Texas' contract dated November 1, 1958, covering its sale to Natural Gas Pipeline Company of America.¹ The requested effective date is such date as may be prescribed or approved by the Federal Power Commission.

The amendment reflects new pricing provisions, which permit South Texas to make unilateral rate increase filings with respect to sales to Natural, extends the term of the contract and includes language prohibiting South Texas from entering into any amendments to gas purchase contracts dedicated to Natural providing for price increases without the prior approval of Natural.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 28, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30805 Filed 10-19-76;8:45 am]

[Docket Nos. RP74-6 and RP72-74]

SOUTHERN NATURAL GAS CO.**Proposed Change in FPC Gas Tariff**

OCTOBER 13, 1976.

Take notice that Southern Natural Gas Company (Southern) on October 1, 1976, tendered for filing a proposed change in its FPC Gas Tariff, Volume No. 1. The proposed tariff modification provides that during the period November 1, 1976, through March 31, 1977, the penalty provisions applicable to gas taken in excess of curtailment orders shall not be applicable to a Purchaser which certifies that on the day in question (a) it did not authorize consumers to take gas other than consumers in priority-of-service categories 1, 2, and 3; (b) gas from other sources was utilized to the extent feasible; and (c) gas purchases did not exceed Contract Demand or Maximum Delivery Obligation.

¹ The filing is designated Supplement No. 14 to South Texas Natural Gas Gathering Company's FPC Rate Schedule No. 1.

Southern states that the tariff modification is necessary in order to avoid hardships attendant to possible curtailment orders which do not take into account high priority requirements not reflected in the Index of Requirements used to implement the Commission's Order No. 747/747-B curtailment plan on Southern's system. The currently effective Index of Requirements was developed from a base period of 24 months ending in February, 1973. Southern states that through November, 1975, certain customers added requirements not reflected in the currently effective Index.

Southern states that copies of the October 1, 1976, filing were served upon Southern's jurisdictional customers, interested state commissions and all parties in Docket Nos. RP72-74 and RP74-6.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 26, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30823 Filed 10-19-76;8:45 am]

[Docket Nos. RP74-89 and RP73-35 (AP76-1)]

TRUNKLINE GAS CO.**Extension of Time**

OCTOBER 14, 1976.

On October 12, 1976, Trunkline Gas Company filed a motion to extend the date for filing briefs opposing exceptions in the above-designated proceeding. The motion states that parties to the proceeding have no objection.

Upon consideration, notice is hereby given that the date for filing briefs opposing exceptions in the above-designated proceedings is extended to and including October 15, 1976.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30802 Filed 10-19-76;8:45 am]

[Docket No. ES76-67]

UNION LIGHT, HEAT & POWER CO.**Issuance of Short-Term Unsecured Promissory Notes**

OCTOBER 12, 1976.

The Union Light, Heat and Power Company (Applicant) on August 24, 1976, filed an application with the Commission, pursuant to Section 204 of the Federal Power Act, for authority to issue unsecured promissory notes to com-

mercial banks and to commercial paper dealers in amounts not exceeding in the aggregate of \$10 million outstanding at any one time. All notes are to be issued on or before December 31, 1977.

Applicant, a subsidiary of the Cincinnati Gas and Electric Company (Cincinnati), is incorporated under the laws of the state of Kentucky and is engaged primarily in the transmission distribution and sale at retail of electric energy and the sale of natural gas in northern Kentucky. Applicant purchases its power from Cincinnati and does not own or operate any generating facilities.

The promissory notes to be issued by the Applicant to commercial banks will be issued on various days during the period ending December 31, 1977. No note will mature more than nine months from the date of issue or later than December 31, 1977. The interest rate of such notes will be the prime rate or best available rate. No commitment fee will be paid in connection with the issuance.

The promissory notes to be issued as commercial paper will be issued on various days during the period ending December 31, 1977. No note will mature more than nine months after the date of issue, or later than December 31, 1977, nor will the term of any note be extended or renewed. The interest rate on such notes will be dependent upon the terms of the notes and the money market conditions at the time of issuance.

The net proceeds will be added to the general funds of the Applicant and used to pay, among other things, the expenditures in connection with the 1976-77 construction program.

Written notice of the application has been given to the Kentucky Public Service Commission and to the Governor of that State. Notice has also been given by publication in the FEDERAL REGISTER, stating that any person desiring to be heard or to make any protest with reference to the application should on or before September 24, 1976, file petitions or protests with the Federal Power Commission, Washington, D.C. 20426. No protest, petition or request to be heard in opposition to the granting of the application has been received.

The Commission finds: (1) Applicant a corporation, is a public utility within the meaning of Section 204 of the Federal Power Act, subject to the jurisdiction of the Commission.

(2) The proposed issuance of promissory notes in the aggregate principal amount of \$10 million, as described above, will constitute an issuance of securities within the purview of Section 204 of the Act.

(3) The proposed issuance of securities, as described above, will be in excess of 5% of the par value of the other securities of the Applicant and, therefore, will not be exempt by virtue of 204(e) from the requirements of Section 204(a) of the Act.

(4) Applicant is not organized and operating in a State, under the laws of which the issue here involved is regulated by a state commission within the meaning of Section 204(f) of the Act, and the proposed issuance is, therefore,

not exempt by virtue of that Section from the requirements of Section 204 of the Act.

(5) The proposed issuance of promissory notes will be exempt from the competitive bidding requirements of Section 34.1a of the Commission's Regulations under the Federal Power Act by reason of Paragraph 34.1a(a) (2) thereof.

(6) The proposed issuance of securities, as hereinafter authorized, will be for a lawful object within the corporate purposes of the Applicant and compatible with the public interest, which is appropriate for and consistent with the proper performance of service by Applicant as a public utility, and which will not impair its ability to perform that service, and is reasonably necessary and appropriate for such purposes.

(7) The period of public notice given in this matter is reasonable.

The Commission orders: (A) The proposed issuance of short-term promissory notes in the aggregate principal amount not exceeding \$10 million outstanding at any one time, upon the terms and conditions and for the purposes set forth in the application, all as described above, is hereby authorized, subject to the provisions of this order.

(B) This authorization is expressly conditioned that all notes will be issued on various days in the period ending December 31, 1977, for varying periods of time, but no note will mature more than nine months from the date of issue or later than December 31, 1977; nor will notes issued as commercial paper be extended or renewed or contain any provision for automatic "roll over".

(C) This authorization is expressly conditioned upon the aggregate principal amount of commercial paper outstanding at any one time not exceeding 25% of the Applicant's gross operating revenues for the preceding twelve months of operation.

(D) The foregoing authorization is without prejudice to the authority of this Commission or any other regulatory body with respect to rates, service, accounts, valuation, estimates or determinations of cost or any other matter whatsoever now pending or which may come before this Commission.

(E) Nothing in this order shall be construed to imply any guarantee or obligation on the part of the United States in respect to any security to which this order relates.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30807 Filed 10-19-76;8:45 am]

[Docket No. ER77-2]

VIRGINIA ELECTRIC & POWER CO.
Contract Supplement

OCTOBER 14, 1976.

Take notice that on October 4, 1976, Virginia Electric and Power Company (Virginia) tendered for filing a Contract Supplement dated September 1, 1976, to the Agreement designated as Virginia's

Rate Schedule FPC No. 91-18 between Virginia and Halifax Electric Membership Corporation.

Said supplement requests Commission authorization for connection of a new Delivery Point (Dawson) located east of Route 125 and northwest of Scotland Neck in Halifax County, North Carolina.

Virginia requests an effective date as that of the date of connection of facilities which is expected to occur sometime in December, 1976.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before October 27, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30804 Filed 10-19-76;8:45 am]

[Docket Nos. ER76-303 and ER76-399]

**WISCONSIN ELECTRIC POWER CO. AND
WISCONSIN MICHIGAN POWER CO.**

Intention to Act

OCTOBER 8, 1976.

On July 14, 1976, the Town of Florence, Wisconsin, the City of New London, Wisconsin, and the City of Shaworo, Wisconsin, filed a motion for reconsideration of the Commission's order issued in Docket No. ER76-303 on February 9, 1976. On July 29, 1976, Wisconsin Michigan Power Company filed an answer to the motion for reconsideration.

The Commission hereby gives notice to the parties in this docket of its intent to act on the July 14, 1976 motion for reconsideration.

By direction of the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-30814 Filed 10-19-76;8:45 am]

**FEDERAL RESERVE SYSTEM
AMERICAN SECURITY CORP.**

**Request for Determination and Notice
Providing Opportunity for Hearing**

Notice is hereby given that a request has been made to the Board of Governors of the Federal Reserve System, pursuant to the provisions of section 2(g) (3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(g) (3)) ("the Act"), by American Security Corporation ("ASC"), Washington, D.C., for a determination that ASC is not nor will be capable of controlling Fairfax County National Bank, Seven Corners, Virginia.

Section 2(g) (3) of the Act provides that shares transferred after January 1, 1966, by any bank holding company (or any company which but for such transfer, would be a bank holding company) directly or indirectly to any transferee that is indebted to the transferor or has one or more officers, directors, trustees, or beneficiaries in common with or subject to control by the transferor, shall be deemed to be indirectly owned or controlled by the transferor, unless the Board, after opportunity for hearing, determines that the transferor is not, in fact, capable of controlling the transferee.

Notice is hereby given, that, pursuant to section 2(g) (3) of the Act, an opportunity is provided for filing a request for oral hearing. Any such request or written comments on the application should be submitted in writing (in duplicate) to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received no later than November 5, 1976. If a request for oral hearing is filed each request should contain a statement of the nature of the requesting person's interest in the matter, that person's reasons for wishing to appear at an oral hearing, and a summary of the matters concerning which such person wishes to give testimony. The Board subsequently will designate hearing is filed, each request should contain a time and place for any hearing it orders, and will give notice of such hearing to the transferor, the transferee, and all persons that have requested an oral hearing. In the absence of a request for an oral hearing, the Board will consider the requested determination on the basis of documentary evidence filed in connection with the application.

Board of Governors of the Federal Reserve System, October 14, 1976.

GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.76-30768 Filed 10-19-76;8:45 am]

**CONDITION OF STATE MEMBER BANKS
Call for Report**

Pursuant to section 9 of the Federal Reserve Act, as amended (12 U.S.C. 324), and to section 7(a) (3) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1817(a) (3)), the Board of Governors of the Federal Reserve System, effective October 20, 1976, has issued a call to each insured State bank that is a member of the Federal Reserve System to make a Report of Condition as of the close of business September 30, 1976. Pursuant to section 7(a) (3) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1817(a) (3)), each insured State bank that is a member of the Federal Reserve System is required to make a Report of Condition as of the close of business September 30, 1976. That date has been selected for the Report of Condition by the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Chairman of the

Board of Governors of the Federal Reserve System. The Report of Condition should be filed with the Federal Reserve Bank of the district wherein the bank is located, within ten days after notice that such report shall be made: *Provided*, That if such reporting date is a nonbusiness day for any bank, the preceding business day shall be its reporting date.

Each insured State bank that is a member of the Federal Reserve System, except a bank in the District of Columbia, shall make its original Report of Condition on Federal Reserve Form 105—Call No. 211¹ and shall send the same to the Federal Reserve Bank of the district wherein the bank is located and shall send a signed and attested copy thereof to the Federal Deposit Insurance Corporation. The original and copy of the Report of Condition shall be prepared in accordance with "Instructions for the Preparation of Reports of Condition by State Member Banks of the Federal Reserve System," dated March, 1976.²

Board of Governors of the Federal Reserve System, October 18, 1976.

STEPHEN S. GARDNER,
Vice Chairman, Board of Governors of the Federal Reserve System.

[FR Doc.76-30888 Filed 10-19-76;8:45 am]

FIRST FREDERICK BUILDING CORP.

Formation of Bank Holding Company

First Frederick Building Corporation, Frederick, Oklahoma, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company through acquisition of 80 per cent or more of the voting shares of First National Bank in Frederick, Frederick, Oklahoma. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Kansas City. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than November 3, 1976.

Board of Governors of the Federal Reserve System, October 13, 1976.

GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.76-30769 Filed 10-19-76;8:45 am]

FIRST INTERNATIONAL BANCSHARES, INC.

Acquisition of Bank

First International Bancshares, Inc., Dallas, Texas, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares, less directors' qualifying shares, of Texas State Bank, Abilene,

¹ Filed as part of the original document.

Texas, a proposed new bank. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Dallas. of the Federal Reserve System, Washington, D.C. 20551, to be received not later than November 15, 1976.

Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors

Board of Governors of the Federal Reserve System, October 14, 1976.

GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.76-30770 Filed 10-19-76;8:15 am]

NORTHWEST BANCORPORATION

Acquisition of Bank

Northwest Bancorporation, Minneapolis, Minnesota, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 90 per cent or more of the voting shares of the First National Bank of Ottumwa, Ottumwa, Iowa. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Minneapolis. Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than November 15, 1976.

Board of Governors of the Federal Reserve System, October 14, 1976.

GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.76-30771 Filed 10-19-76;8:45 am]

SIoux NATIONAL CO.

Order Approving Formation of Bank Holding Company

Sioux National Company, Harrison, Nebraska, has applied for the Board's approval under 3(a)(1) of the Bank Holding Company Act ("Act") (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 100 per cent of the voting shares (less directors' qualifying shares) of The Sioux National Bank of Harrison, Harrison, Nebraska ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with 3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the application and all comments received, in light of the factors set forth in 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, a nonoperating corporation with no subsidiaries, was formed for the purpose of becoming a bank holding

company through the acquisition of shares of Bank. Upon acquisition of those shares Applicant would control the 205th largest banking organization in Nebraska with total deposits of approximately \$7.3 million, representing 0.1 per cent of total deposits held by commercial banks in the State of Nebraska.¹ Bank is located in the sparsely populated northwestern part of Nebraska, and is the only bank in the Harrison banking market, which is approximated by Sioux County. Since the purpose of the proposed transaction is to transfer the ownership of shares of Bank from individuals to a corporation owned by the same individuals, consummation of the proposal would have no adverse effect on existing or potential competition or the concentration of banking resources in any relevant area. Accordingly, the Board concludes that competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant are dependent upon those of Bank, which are considered satisfactory. Applicant proposes to service the debt it will incur as a result of the proposed transaction through dividends from Bank and the tax benefits of filing a consolidated return. Based on Bank's past earnings, it appears that Applicant will be able to meet its annual debt-servicing requirements and adequately maintain Bank's capital position. Thus, considerations relating to banking factors are consistent with approval of the application.

Although there will be no immediate change in the services offered by Bank upon consummation of the proposal, considerations relating to the convenience and needs of the community to be served are consistent with approval of the application. It is the Board's judgment that consummation of the proposed transaction would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this order or (b) later than three months after the effective date of this order, or (b) later than three months after the effective date of this order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Board of Governors,² effective October 13, 1976.

GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.76-30772 Filed 10-19-76;8:45 am]

¹ All banking data are as of December 31, 1975.

² Voting for this action: Vice Chairman Gardner and Governors Coldwell, Jackson, Partee and Lilly. Absent and not voting: Chairman Burns and Governor Wallich.

GENERAL SERVICES ADMINISTRATION

ARCHIVES ADVISORY COUNCIL

Meeting

Notice is hereby given that the National Archives Advisory Council shown below will meet at the time and place indicated. Anyone interested in attending, or who wishes additional information, should contact the person shown below.

NATIONAL ARCHIVES ADVISORY COUNCIL

Meeting dates: November 18-20, 1976, November 18: 8:00 p.m. to 10:00 p.m., November 19: 9:00 a.m. to 5:00 p.m., November 20: 9:00 a.m. to adjournment.

Place: Room 410, National Archives and Records Service, 8th and Pennsylvania Avenue, NW, Washington, DC 20408.

Agenda: Machine readable records study proposals, reference service, document preservation, the appraisal of records, the records management function, and the report of GSA Advisory Committee on protection of archives and records centers (fire protection).

For further information contact:

Elsie F. Freivogel, General Services Administration (NEE), Washington, DC 20408, 202-523-3298.

Issued in Washington, DC on October 12, 1976.

JAMES B. RHOADS,
Archivist of the United States.

[FR Doc.76-30746 Filed 10-19-76;8:45 am]

LEGAL SERVICES CORPORATION

BOARD OF DIRECTORS

Meeting

The next meeting of the Board of Directors of the Legal Services Corporation will be held on November 4-5, 1976 in Room 405 of the George Washington University Marvin Center, 21st and I Streets, NW, Washington, D.C.

The meeting will begin at 9:00 a.m. on both days and will be for the purpose of considering and acting on reports from the Board's Committees and the President of the Corporation.

The meeting is open to the public.

THOMAS EHRLICH,
President.

OCTOBER 14, 1976.

[FR Doc.76-30837 Filed 10-19-76;8:45 am]

NATIONAL SCIENCE FOUNDATION

ADVISORY PANEL FOR ASTRONOMY

Open Meeting

In accordance with the Federal Advisory Committee Act Pub. L. 92-463, the National Science Foundation announces the following meeting:

Name: Advisory Panel For Astronomy.

Date: November 10-11, 1976.

Time: 9:00 a.m.

Place: Sacramento Peak Observatory Sunspot, New Mexico.

Type of meeting: Open—November 10 (9:00 a.m.-5 p.m.), November 11 (9:00 a.m.-4:00 p.m.).

Contact: Dr. R. Marcus Price, Acting Director, Division of Astronomical Sciences, Room 615, National Science Foundation, 1800 G Street, NW., Washington, D.C. 20550, telephone (202) 632-5717.

Purpose: To provide advice and recommendations concerning research proposals and projects in astronomy and to advise the Foundation of the impact of its research support programs on the scientific community in astronomy.

Summary minutes: May be obtained from: Committee Management Coordination Staff, Division of Personnel and Management, Rm. 214, National Science Foundation, Washington, D.C. 20550.

AGENDA: Will include the following discussions and presentations:

NOVEMBER 10, 1976

9:00 a.m.—Sacramento Peak Observatory Presentation.

12:00 noon—Recess.

1:00—Development of a system for advising the NSF annually on priorities and long range plans related to NSF support of the astronomical sciences.

5:00—Adjourn.

NOVEMBER 11, 1976

9:00 a.m.—Reports from Advisory Panel Subcommittees: a. Radio Astronomy, b. Optical and Infrared, c. Solar.

12:00 noon—Recess.

1:00 p.m.—Continuation of Discussion of Afternoon of 10 November Employment and Manpower.

4:00—Adjournment.

M. REBECCA WINKLER,
Acting Committee
Management Officer.

[FR Doc.76-30712 Filed 10-19-76;8:45 am]

JOINT MEETING OF ADVISORY PANELS FOR SYSTEMATIC BIOLOGY AND AND ECOLOGICAL SCIENCES

Meeting

In accordance with the Federal Advisory Committee Act, Pub. L. 92-463, the National Science Foundation announces the following meeting:

Name: Joint Meeting of the Systematic and Ecological Sciences Panels.

Date and time: November 11 and 12, 1976—8:30 a.m. to 5:00 p.m. each day.

Place: Room 321, National Science Foundation, 1800 G Street, NW., Washington, D.C.

Type of meeting: Closed.

Contact person: Dr. John W. Wright, Program Director, Systematic Biology Program, Rm. 336, National Science Foundation, Washington, D.C. 20550, telephone (202) 632-5846.

Purpose of panel: To provide advice and recommendations concerning support for research in systematic biology and ecological sciences.

Agenda: To review and evaluate research proposals and projects as part of the selection process for awards.

Reason for closing: The proposals and projects being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals and projects. These matters are within exemptions (4) and (6) of 5 U.S.C. 552(b), Freedom of Information Act. The rendering of advice by the panel is considered to be a part of the Foundation's deliberative process and is thus subject to exemption (5) of the Act.

Authority to close meeting: This determination was made by the Committee Management Officer pursuant to provisions of section 10(d) of Pub. L. 92-463. The Committee Management Officer was delegated the authority to make determinations by the Director, NSF, on February 11, 1976.

M. REBECCA WINKLER,
Acting Committee
Management Officer.

OCTOBER 15, 1976.

[FR Doc.76-30701 Filed 10-19-76;8:45 am]

OFFICE OF TELECOMMUNICATIONS POLICY

UNITED STATES INMARSAT PREPARATORY COMMITTEE WORKING GROUP

Meeting

Notice is hereby given that the U.S. INMARSAT Preparatory Committee Working Group will meet at 10:00 a.m., in room 712, Office of Telecommunications Policy, 1800 G Street, NW., Washington, D.C. on Thursday, November 4, 1976.

The principal agenda items will be: (1) Consideration of the INMARSAT services to be offered in the field of safety, radio determination and others; (2) consideration of performance standards of land and ship earth stations; (3) a discussion of the interconnection with public telecommunications networks; (4) ship earth station reliability; (5) consideration of operational procedures; (6) evaluation of traffic and economic forecasts; (7) identification of tasks which might be assigned to a management service contractor; (8) other business which might be raised at the meeting.

The meeting will be open to the public; any member of the public will be permitted to file a written statement with the Working Group, before or after the meeting. The names of the members of the Working Group, a copy of the agenda, a summary of the meeting, and other information pertaining to the meeting may be obtained from Mr. William T. Adams, Office of Telecommunications Policy, Washington, D.C. 20504 (telephone: 202-395-3782).

Dated: October 15, 1976.

L. DANIEL O'NEILL,
Advisory Committee
Management Officer.

[FR Doc.76-30884 Filed 10-19-76;8:45 am]

POSTAL RATE COMMISSION

[Amended Administrative Order 1]

CAREER AND EXCEPTED SERVICE

Administrative Order

OCTOBER 20, 1976.

In the matter of The Commission has amended Administrative Order 1 to conform to the provisions of Public Law 94-421, September 24, 1976. The amended Order follows.

By virtue of the authority vested in the Postal Rate Commission by section 3604 of title 39 of the United States Code, as added by section 2 of the Postal Re-

organization Act, Pub. L. 91-375, and amended by section 4 of the Postal Reorganization Act Amendments of 1976, Pub. L. 94-421, there is hereby established (1) The Postal Rate Commission Career Service, and (2) the Postal Rate Commission Excepted Service. The operation and regulation of both shall be governed by the rules set out in this Administrative Order.

Rule 1. *Definitions.* For the purpose of these rules:

(a) "Commission" means the Postal Rate Commission.

(b) "Commissioners" mean the Commissioners of the Postal Rate Commission.

(c) "Chairman" means that Commissioner who serves as the principal executive officer of the Commission by designation of, and at the pleasure of, the President.

(d) "Appointing authority" means the Chairman, except in the instance of an appointment of a head of a major administrative unit under the Commission when it shall mean the Commission or an employee of the Commission to whom has been delegated the authority to make an appointment. Such a delegation of authority must be in writing to be valid.

(e) "Demotion" means a change of an employee of the Commission to a lower grade of the pay schedule.

(f) "Promotion" means a change of an employee of the Commission to a higher grade of the pay schedule.

(g) "Reassignment" means a change of an employee of the Commission from one position to another without promotion or demotion.

(h) "Preference eligible" has the meaning given that term by 5 U.S.C. 2108.

(i) "Probationary period" means the first year of employment of an employee in the Postal Rate Commission Career Service.

Rule 2. *Extent of the Postal Rate Commission Career Service.* The Postal Rate Commission Career Service, the symbol for which is "PRCS," includes all positions in the Commission, except Administrative Law Judges appointed under 5 U.S.C. 3105 and those positions specifically excepted from the PRCS by the Commission. (See Rule 3.)

Rule 3. *Extent of the Postal Rate Commission Excepted Service.* The Postal Rate Commission Excepted Service, the symbol for which is "PES," includes all positions in the Commission specifically excepted from the PRCS by the Commission. Positions of a confidential or policy-determining character, the incumbents of which must be selected on the basis of the appointing authority's personal trust and not merely on the basis of technical qualifications, shall be included in the Excepted Service. All attorney positions shall be in the PES.

Rule 4. *PRCS appointments.*

(a) A PRCS appointment is made on the basis of merit and fitness. Each appointing authority shall recruit and select individuals for appointment in the PRCS in a manner that will insure that

the best qualified candidate available is selected. Each candidate who is a preference eligible and who is equally as well qualified as another candidate who is not a preference eligible is entitled to preference in selection for appointment under this rule over such other candidate who is not a preference eligible. Written examinations are not required to determine a candidate's eligibility or qualification for appointment in the PRCS under this rule; but if a written examination is given, candidates who are preference eligibles are entitled to additional points above their earned ratings in accordance with 5 U.S.C. 3309 and to preference in selection in keeping with the veterans' preference provisions of subchapter I of chapter 33 of title 5, United States Code.

(b) Except as otherwise expressly provided in these rules, each appointment in the PRCS under these rules is made (1) subject to the satisfactory completion of a 1-year probationary period, and (2) subject to an investigation of the appointee's qualifications and suitability. The subject-to-investigation period is 1 year. An appointee serving a probationary period who fails to demonstrate his fitness or his qualifications for continued employment may be terminated by a notice in writing as to why he is being terminated and the effective date of the termination. An appointee serving subject to investigation in the PRCS who is determined by the investigation to be not qualified or suitable for continued employment in the PRCS may be terminated by a notice in writing as to why he is being terminated and the effective date of the termination. An appointee covered under either (1) or (2) above is not entitled to notice, opportunity to answer, and decision as provided in Rule 12.

(c) An appointee who satisfactorily completed the 1-year probationary and the subject-to-investigation period is automatically in the PRCS and is entitled to the right of transfer under 39 U.S.C. 1006 and all other rights of the PRCS.

(d) At the direction of the Chairman appointments may be made which are not subject to investigation.

Rule 5. *PRES appointments.*

(a) A PRES appointment is made on the basis of (1) the appointing authority's personal trust in the appointee which trust may be based on program agreement or personal confidence, or (2) project service which does not contemplate permanent tenure or career employment. Each candidate for a PRES appointment who is a preference eligible and who is equally as well qualified as another candidate who is not a preference eligible is entitled to preference in selection for appointment under this rule over such other candidate who is not a preference eligible.

(b) An appointee in the PRES may be terminated by a notice in writing as to why he is being terminated and the effective date of termination. Such an appointee is not entitled to notice, opportunity to answer, and decision as provided in Rule 12.

(c) An employee serving under a PRES appointment is not in the PRCS; is not entitled to the right of transfer under 39 U.S.C. 1006; does not have a fixed tenure, and, if not a preference eligible entitled to the job-protection benefits under Rule 12 serves at the will of the appointing authority.

Rule 6. *Temporary appointments.*

(a) An appointing authority may make a temporary appointment in either the PRCS or the PRES for less than 1 year when required to meet a need for temporary services, such as to fill a continuing position on a temporary basis or a temporary position for a temporary period. An individual may not receive a temporary appointment within 1 year after having been terminated from a temporary appointment in the Commission except under unusual circumstances and with the prior written consent of the Chairman or his designee.

(b) An employee serving under a temporary appointment is not in the PRCS; is not entitled to the right of transfer under 39 U.S.C. 1006; does not have a fixed tenure; and serves at the will of the appointing authority.

Rule 7. *Probation.*

(a) All appointees in the PRCS will be required to serve an initial 1-year probationary period. However, this probationary period is waived for those appointees who are transferred from another Federal Government agency where they have satisfactorily completed a 1-year probationary period or who are reinstated former employees who were in the PRCS.

(b) The purpose of the probationary period is to allow the Chairman to determine fully the fitness of the employee and to terminate his services during this period if he fails to demonstrate fully his qualifications for continued employment.

(c) When the Chairman decides to terminate an employee serving a probationary period because his work performance or conduct during this period fails to demonstrate his fitness or his qualifications for continued employment, he shall terminate his services by notifying him in writing as to why he is being separated and the effective date of the action.

(d) An employee does not have the right to appeal a termination notice during the probationary period.

Rule 8. *Reinstatement and transfer.*

(a) An appointing authority may make an appointment in the PRCS by the reinstatement of a former employee who was in the PRCS or of an individual who had a competitive status (as that term is defined in 5 CFR 1.3(c)) when he was separated from a position in another Government agency. There is no time limit on the reinstatement of a preference eligible or an individual who has completed the service requirements for a career tenure in the competitive service (5 CFR 315.201, 315.202) or an individual who satisfactorily completed 1 year of service in the PRCS.

(b) An appointing authority may make an appointment in the PRCS by transfer of an individual from a position in an-

other Federal Government agency without a break in service of not more than one full workday when the individual to be transferred is serving in the other agency under a career or career-conditional appointment in the competitive service or the equivalent thereof in the U.S. Postal Service, or in any other Government agency having what the Chairman, or the Commission in the instance of the appointment of the head of a major administrative unit under the Commission, finds is an established merit system.

(c) An employee appointed under this rule is not required to serve a probationary period if he satisfactorily completed a probationary period during the period of service that forms the basis for his reinstatement or transfer. However, the employee is subject to the one year period of investigation.

(d) The reinstatement or transfer of an Administrative Law Judge originally appointed under 5 U.S.C. 3105 is governed by Subpart B of Part 930 of Title 5, Code of Federal Regulations.

Rule 9. Promotion and reassignment.

(a) An appointing authority may promote or reassign an employee of the Commission as the needs of the Commission require. Each promotion and reassignment shall be made for the purpose of promoting the efficiency of the service of the Commission. Selections for promotion and reassignment shall be based on the same considerations that govern an original appointment in the Commission, except the consideration of preference for a preference eligible. A promotion or reassignment may not be made from a PRCS appointment to a PRES appointment or vice versa.

(b) The promotion or reassignment of an Administrative Law Judge originally appointed under 5 U.S.C. 3105 is governed by Subpart B of Part 930 of Title 5, Code of Federal Regulations.

Rule 10. Performance evaluation.

(a) Each employee of the Commission, except an Administrative Law Judge, will receive annually a written evaluation of his work performance by his immediate supervisor. Normally, such evaluations will be made on the anniversary date of the employee's entrance into his current grade. The evaluation shall include a brief narrative statement which informs the employee as to whether his work performance is outstanding, meritorious, satisfactory, or unsatisfactory. An unsatisfactory evaluation shall identify the specific work deficiencies and suggest means for correcting them.

(b) An employee is not entitled to a review of an evaluation that is outstanding, meritorious, or satisfactory. An employee, other than the head of a major administrative unit under the Commission, whose evaluation is unsatisfactory is entitled to a review by the official superior of the rating supervisor. The review authorized by this section does not entitle the employee to a hearing. The written decision of the reviewer is final. The performance evaluation of the head of a major administrative unit under the Commission shall be conducted in the

first instance by the Commission, or its designee, which evaluation is not subject to review.

(c) Employees rated unsatisfactory may be either reassigned or demoted to a position in which satisfactory performance may be expected.

(d) A rating of outstanding, meritorious, or satisfactory is required to qualify for a within-grade step increase or merit-increment increase.

Rule 11. Hours of duty and absence and leave.

The statutory provisions in title 5, United States Code, and the regulatory provisions in Title 5, Code of Federal Regulations, relating to hours of duty and absence and leave apply to employees of the Commission according to the provisions thereof under authority of 39 U.S.C. 1005(f) as made applicable by 39 U.S.C. 3604(d).

Rule 12. Adverse actions.

(a) A preference eligible employee of the Commission who has completed a probationary period is entitled to the job-protection benefits and appellate rights under 5 U.S.C. 7501, 7511, 7512, and 7701, and 5 CFR Parts 752 and 772.

(b) An Administrative Law Judge appointed under 5 U.S.C. 3105 who is employed by the Commission is entitled to the job-protection benefits and hearing rights under 5 U.S.C. 7521 and 5 CFR Subpart B of Part 930.

(c) An employee of the Commission in the PRCS not covered by paragraph (a) or (b) of this rule may be demoted, suspended for more than 30 days, or removed for such causes as will promote the efficiency of the service. Such an employee against whom adverse action is sought is entitled to (1) at least 30 days' advance written notice, except when there is reasonable cause to believe him guilty of a crime for which a sentence of imprisonment can be imposed, stating any and all reasons, specifically and in detail, for the proposed action; (2) a reasonable time for answering the notice personally, or in writing, or both personally and in writing, and for furnishing affidavits in support of the answer; and (3) a written decision on the answer which informs him of the reasons for any adverse action prescribed. The right to answer personally does not include the right of "trial" or formal hearing, but merely to make an answer in person to the Commission official who proposed the adverse action or to the designee of that official.

The suspension of an employee for 30 days or less without pay is not an adverse action.

The reassignment of an employee is not an adverse action.

(d) An employee who has received a written notice of adverse action decision under paragraph (c) of this rule is entitled to appeal that decision to the Chairman, or to a designee of the Chairman designated for that specific purpose. Such an appeal may be submitted at any time after the employee receives the adverse decision but no later than 15 calendar days after the effective date of the adverse action. An appellant under this

paragraph is entitled: (1) to be represented and advised by counsel or a representative of his own choosing; (2) to be assured freedom from restraint, interference, coercion discrimination, or reprisal in connection with his appeal; (3) to be assured of a reasonable amount of official time for himself, and his counsel or representative when the latter is an employee of the Commission; and (4) to be accorded a formal hearing on the appeal under reasonable procedures designed to afford full administrative due process but not in accordance with the administrative procedures in subchapter II of chapter 5 of title 5, United States Code. The decision of the Chairman or his designee on an appeal shall be in writing and shall state the reasons for the decision and specify any corrective action to be taken. The decision of the Chairman or his designee is final and is not subject to review by any administrative authority either within or outside of the Commission.

Rule 13. Insurance and annuities.

The statutory provisions in title 5, United States Code, and the regulatory provisions in Title 5, Code of Federal Regulations, relating to insurance and annuities, including retirement, regular life insurance, optional life insurance, unemployment insurance, Bureau of Employee's Compensation benefits, and the Federal Employees Health Benefits Program continue to apply to employees of the Commission according to the provisions thereof under authority of 39 U.S.C. 1005(f) as made applicable by 39 U.S.C. 3604(d).

Rule 14. General provisions.

(a) Under authority of 39 U.S.C. 410 as made applicable by 39 U.S.C. 3604(e), the Commission adopts as a rule of the Commission the provisions of 5 U.S.C. 302 authorizing the Chairman to make delegations of authority to subordinate officials of the Commission.

(b) Under authority of 39 U.S.C. 410 as made applicable by 39 U.S.C. 3604(e), the Commission adopts as a rule of the Commission the provisions of 5 U.S.C. 5595 and 5596 authorizing the payment of severance pay and back pay and of 5 U.S.C. 5537 regarding pay saving. The Commission, with regard to severance pay and back pay, directs that payment of that pay be made in accordance with 5 CFR Part 550, Subparts G ("Severance Pay") and H ("Back Pay") and with regard to pay saving directs that payment be made in accordance with 5 CFR Part 531, Subpart E ("Salary Retention") except that no appeals are permitted to the Civil Service Commission.

(c) Employees of the Commission and candidates for appointment in the Commission shall give the Commission or its designee all information and testimony in regard to matters inquired of arising under the Postal Reorganization Act, these rules, and the operations of the Commission. Whenever required by the Commission such an individual shall subscribe to that testimony and make oath or affirmation thereto before an officer authorized under law to administer oaths or affirmations.

Rule 15. Compensation.

All positions in the Commission, except Commissioners, whether in the PRCS or PRES are allocated to one of the salary grade levels with an established salary range for each level as may set forth by the Chairman, or in the instance of the head of a major administrative unit under the Commission by the Commission, under authority of 39 U.S.C. 3604(a) through (c).

Rule 16. Saving provision.

An employee of the Commission appointed prior to the effective date of these rules shall continue under the appointment given in either the PRCS or the PRES but no such employee is required to serve a probationary or trial period or serve subject to investigation unless that condition was expressly made applicable to his appointment when made.

Rule 17. Publication and effective date.

This order shall be effective on October 20, 1976. The Secretary shall cause publication of this order to be made in the FEDERAL REGISTER on that effective date.

By the Commission.

DAVID F. HARRIS,
Acting Secretary.

[FR Doc.76-30765 Filed 10-19-76;8:45 am]

SECURITIES AND EXCHANGE COMMISSION

ADVISORY COMMITTEE ON REPLACEMENT COST IMPLEMENTATION

Cancellation of Meeting

This is to give public notice, pursuant to section 10(a) of the Federal Advisory Committee Act, 5 U.S.C. App. I, 10(a), that the Securities and Exchange Commission Advisory Committee on Replacement Cost Implementation meeting scheduled to be held on October 28, 1976 at the Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. has been cancelled. The next meeting is scheduled for December 6, 1976.

GEORGE A. FITZSIMMONS,
Advisory Committee
Management Officer.

OCTOBER 14, 1976.

[FR Doc.76-30695 Filed 10-19-76;8:45 am]

[Release No. 9474, 812-4026]

CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION FUND

Application for Exemption

OCTOBER 12, 1976.

Notice is hereby given that Central States, Southeast and Southwest Areas Pension Fund ("Applicant"), 8550 West Bryn Mawr Avenue, Chicago, Illinois 60631, has filed an application on September 10, 1976 and an amendment thereto on September 24, 1976 for an order of the Commission pursuant to Sections 6(c) and 6(e) of the Investment Company Act of 1940 ("Act"): (1) for an order of exemption from, in whole or in

part, Sections 7, 8, 10(e), 13(a), 15(a), 15(c), 16, 17(a), 17(d), 17(g), 18, 21(a), 24(b), 30, 31 and 32 of the Act until the earlier of March 31, 1977 or the final administrative determination by the Internal Revenue Service ("IRS") of Applicant's status under Internal Revenue Code ("Code") Section 401, as described below; and (2) for an immediate interim order of temporary exemption from, in whole or in part, Sections 7, 8, 13(a), 15(a), 15(c), 16, 17(a), 17(d), 17(g), 18, 24(b), 30, 31 and 32 of the Act pending the final determination of the application by the Commission. All interested persons are referred to the application on file with the Commission for a statement of the representations made therein, which are summarized below.

Applicant states that it was formed in 1955 as an Illinois multi-employee trust to administer an employee benefit plan which now includes approximately 380,000 active and 71,000 retired members and their dependents of local unions of the International Brotherhood of Teamsters, Warehousemen, Chauffeurs and Helpers of America, which are affiliated with the Central Conference of Team-

sters, the Central Drivers Council, and the Southeast Conference of Teamsters (collectively, "Conferences").

Applicant has not registered as an investment company under the Act in reliance upon Section 3(c)(11) of the Act which states that an employees' pension trust which meets the requirements for qualification under Code Section 401 is not an investment company. However, Applicant states that it was informed by letter dated June 25, 1976 that the IRS Chicago District Director ("District Director") had concluded that Applicant did not constitute a qualified trust under Code Section 401 during the period from February 1, 1965 through Applicant's taxable year ended January 31, 1975. Applicant represents that it intends to administratively appeal this decision. Applicant further states that on September 20, 1976 it filed with the District Director a request for a determination letter that Applicant is a qualified Code Section 401 trust for the period beginning February 1, 1976.

Applicant further states that, as of January 31, 1976, it had the following assets:

Category of assets	Approximate value	Percent of gross assets	Allocable income	Percent of gross income
I. Cash	\$145,000,000	10.27	\$8,000,000	9.09
II. Government securities	7,000,000	.50	300,000	.34
III. Real estate	169,000,000	11.99	(3,000,000)	(3.40)
IV. Real estate mortgages	835,000,000	59.18	76,700,000	87.16
V. Securities	193,000,000	13.68	6,000,000	6.81
VI. Other	62,000,000	4.39	0	0
Totals	1,411,000,000	100.00	88,000,000	100.00

Applicant represents that the category Real Estate Mortgages includes over 700 real estate mortgage loans, and that it has placed a temporary moratorium on making new real estate loans although it continues to fund existing mortgage loan commitments.

Applicant states that on or about April 1, 1976 it entered into separate investment management agreements with five banks and one banking affiliate (collectively "banks") to provide separate custody and discretionary management of Applicant's assets aggregating \$200,000,000 and that the banks are: American National Bank and Trust Company of Chicago, Chicago, Illinois; Chemical Bank, New York, New York; The Cleveland Trust Company, Cleveland, Ohio; Crocker Investment Management Corporation, San Francisco, California; Equibank, N.A., Pittsburgh, Pennsylvania ("Equibank"); and National Bank of Georgia, Atlanta, Georgia.

Applicant represents that, because of its unresolved status under Code Section 401, the banks are uncertain as to the legality of their continuing management of Applicant's assets in light to Section 15 of the Act, which, as discussed below, in part prohibits a person from serving as an investment adviser of an investment company except pursuant to a written contract which has been approved by the vote of a majority of such company's outstanding voting securities.

Applicant further states that Equibank resigned as an investment manager on or

about August 25, 1976. In addition, Applicant asserts its belief that without the relief requested, the banks will cease managing Applicant's assets.

Section 6(c) of the Act provides in part that the Commission by order upon application may conditionally or unconditionally exempt any person or transaction from any provision or provisions of the Act if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Section 6(e) of the Act provides that if, in connection with any rule, regulation, or order under this section exempting any investment company from any provision of Section 7, the Commission deems it necessary or appropriate in the public interest or for the protection of investors that certain specified provisions of this Act pertaining to registered investment companies shall be applicable in respect of such company, the provisions so specified shall apply to such company, and to other persons in their transactions and relations with such company, as though such company were a registered investment company.

REQUEST FOR IMMEDIATE INTERIM EXEMPTION

Applicant requests, pursuant to Section 6(c) and 6(e) of the Act, an immediate interim exemption, retroactively from the date of filing of this application

until the final determination of this application, from Sections 7, 8, 13(a), 15(a), 15(c), 16, 17(a), 17(d), 17(g), 18, 24(b), 30, 31 and 32 of the Act.

Section 7 of the Act in part prohibits certain operations in interstate commerce by or on behalf of any investment company not registered under the Act. Applicant contends that an exemption from Section 7 is appropriate during the time period specified because, although not registered under the Act, it has agreed, in consideration of the issuance of the requested orders, that during and with respect to the term of such orders, the Applicant, its investment managers, and all other persons in their transactions with or on behalf of the Applicant shall comply with the terms and conditions of the temporary order and all provisions of the Act from which no exemption is sought.

Section 8 of the Act in part prescribes the procedure for registration under the Act. Applicant contends that an exemption from Section 8 is appropriate in relation to any exemption granted from Section 7.

Section 13(a) of the Act in part prohibits an investment company, unless authorized by vote of the majority of its outstanding voting securities, from effecting certain changes in its classification, investment policy or its business. Applicant believes that an exemption from Section 13(a) is necessary because it has no voting securities, and appropriate because its trust agreement specifies its method of operation.

Section 15(a) in part prohibits a person from serving as an investment adviser to an investment company except pursuant to a written advisory contract which has been approved by the vote of a majority of the outstanding securities of the company. Applicant represents that an exemption from Section 15(a) is necessary because, although the banks allegedly serve pursuant to written contracts, Applicant has no voting securities.

Section 15(c) in part requires any advisory contract with an investment company having a board of directors to be approved by the vote of a majority of the directors who are not parties to such contract. Applicant alleges that under trust law only trustees or their agents can contract for Applicant, and therefore all of its trustees are parties to such contract. Accordingly, applicant asserts that a partial exemption from Section 15(c) is necessary to the extent that a Trustee may be deemed to be a party to an advisory contract solely because the Board of Trustees as a body, or persons designated by the Board of Trustees as a body, have executed or caused to be executed an advisory contract on behalf of Applicant.

Section 16 of the Act in part provides that except for the filling of certain vacancies on a board of directors, no person can serve as a director of an investment company unless elected by shareholders. Applicant states that an exemption from Section 16 is necessary because it represents that the exclusive method for the selection of its Trustees is specified in its Trust Agreement.

Section 17(a) of the Act generally prohibits any affiliated person of an investment company or an affiliated person of such person from selling to such company or buying from such company any security or other property, or borrowing money or other property from such company, unless an order upon application is granted under Section 17(b). An affiliated person is defined in Section 2(a)(3) of the Act to include any person directly or indirectly controlling, controlled by, or under common control with, such other person. Control is defined by Section 2(a)(9) of the Act to mean the power to exercise a controlling influence over the management of a company, unless such power is solely the result of an official position with such company, and is presumed to exist by reason of the beneficial ownership of more than 25% of a company's voting securities. Applicant states that an exemption from Section 17(a) to the extent below indicated is necessary because it believes it is impossible to determine with any degree of certainty all persons who might be affiliated persons, or affiliated persons of such persons, in the context of control of a pension trust and the organizations, including employee organizations such as the Conferences and local unions and their officers, who have a factual relationship with Applicant. Moreover, Applicant points out that, as a pension fund, it is subject to Employee Retirement Income Security Act of 1974 ("ERISA") which, it alleges, has comprehensive provisions regulating fiduciary relationships and transactions with "parties in interest," and to the Code regarding transactions by a trust seeking to meet the qualifications of Code Section 401. Applicant asserts that these protections, plus the limited duration of the requested order, afford a basis for an exemption from Section 17(a) of the Act so as to permit the consummation, without the prior requirement of an application under the Act, of any transaction (1) in which the terms of the transaction are reasonable and fair to the Applicant and do not involve overreaching by the other party to the transaction; and (2) which is not a prohibited transaction under Section 406¹ of ERISA, unless exempt under Section 408 of ERISA.

Section 17(d) of the Act and Rule 17d-1 thereunder in part prohibit any affiliated person of an investment company or any affiliated person of such person acting as principal to effect any transaction in which such company is a joint or joint and several participant unless an application for an order is granted permitting such transaction. Applicant

contends that it requires relief from Section 17(d) because, as stated above, it believes it is impossible to identify all affiliated persons and affiliated persons of such persons. Applicant represents that such exemption is appropriate because of the limited duration of the requested order, and because the requested exemption from Section 17(d) of the Act, which would permit participation by Applicant in any such transaction without the prior filing of an application, would relate only to a transaction (1) in which the participation by the Applicant is not on a basis less advantageous than that of the other participant; and (2) which is not a prohibited transaction under ERISA Section 406, unless exempt under ERISA Section 408.

Section 17(g) of the Act and Rule 17g-1 thereunder in part prescribe bonding requirements for certain officers and employees of an investment company. Applicant states that the amount of bond which would be required under the Act for an investment company with assets equivalent to Applicant's assets would be \$1,500,000. Applicant represents that ERISA Section 412, with which it states it is in compliance, requires every fiduciary of a pension plan who handles funds or other property of a plan to be bonded to an amount equal to 10% of the amount of funds handled up to a maximum bond of \$500,000. Applicant contends that an exemption from Section 17(g) is necessary, because of the difficulty in obtaining further bonding for the limited duration of the requested orders, and appropriate because of its compliance with ERISA Section 412.

Section 18 of the Act regulates the capital structure of an investment company, and requires in paragraph 18(i) that management companies issue voting securities. Applicant states that an exemption from Section 18 is appropriate because it believes that the purpose of Section 18 is to promote and preserve a sound financial structure, and that such protections are provided by ERISA's fiduciary and funding requirements.

Section 24(b) of the Act in part makes unlawful, with certain exceptions, the distribution of advertisements, pamphlets, circulars, form letters or other sales literature in connection with a public offering unless copies of such sales literature are filed with the Commission. Applicant represents that exemption from Section 24(b) is appropriate because it believes that such provisions are intended to apply in the context of a registered public offering of securities, rather than to the creation of interests in Applicant for its various participants.

Section 30 of the Act and rules thereunder mandate the filing of certain periodic and other reports with the Commission and the distribution of reports to company shareholders not less frequently than semi-annually. Applicant submits that an exemption from Section 30 is necessary because to subject it to reporting requirements in addition to those imposed by ERISA would be unduly burdensome. Applicant submits that such exemption is appropriate because it agrees to furnish the Commission, upon

¹ ERISA Section 406 generally prohibits a fiduciary from knowingly causing a plan to engage in certain transactions involving a party in interest, or employer security or real property, or the fiduciary. ERISA Section 408, in part, provides that the Secretary of Labor may establish an exemption procedure from Section 406 and authorizes certain transactions, notwithstanding the provisions of Section 406, provided that certain statutory standards are satisfied.

request, copies of any and all reports, schedules, records, analyses and financial statements produced and maintained by either the Applicant or its custodian bank relating to the Applicant's assets, investments, purchases or sales of securities, mortgage loans, or renewals or revisions thereof; and it consents to Commission examination of all Applicant's records.

Section 31 and rules thereunder in part require investment companies and certain other persons to maintain prescribed books and records. Applicant alleges an exemption from Section 31 is appropriate because it maintains extensive internal records pursuant to ERISA and agrees that such records will be subject to Commission examination.

The matter has been considered by the Commission, and it is found that, in view of the circumstances set forth above, the granting of an immediate interim order exempting Applicant from the aforementioned Sections of the Act, retroactively from September 10, 1976 until the final determination of this application by the Commission, is appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Furthermore, the Commission deems it appropriate in the public interest and for the protection of investors that all provisions of the Act pertaining to registered investment companies from which Applicant is not specifically exempted pursuant to this order shall apply to Applicant, and to other persons in their transactions and relations with Applicant, as though Applicant were a registered investment company.

Accordingly, it is ordered, pursuant to Section 6(c) and 6(e) of the Act, that the application for a temporary order effective September 10, 1976 and until the final determination of this application by the Commission, exempting Applicant from, in whole or in part, to the extent requested, Sections 7, 8, 13(a), 15(a), 15(c), 16, 17(a), 17(d), 17(g), 18, 24(b), 30, 31 and 32 of the Act, be and hereby is granted, provided that: (1) the exemption from Section 17(a) shall not apply to any transaction in which the terms are not reasonable or fair to Applicant or which involves overreaching by the party to the transaction other than Applicant, or which is a prohibited transaction under ERISA Section 406, unless exempt under ERISA Section 408; (2) the exemption from Section 17(d) shall not apply to any transaction in which the participation by Applicant is on a basis less advantageous than that of the other participant, or which is a prohibited transaction under ERISA Section 406, unless exempt under ERISA Section 408; (3) Applicant shall furnish to the Commission, upon request, copies of any and all reports, schedules, records, analyses and financial statements produced and maintained by either Applicant or its custodian bank relating to Applicant's assets, investments, purchases or sales of securities, mortgage loans, or renewals or revisions thereof;

(4) the Commission, or any member or representative delegated by the Commission, shall have the right to conduct, at any time and from time to time, such reasonable periodic, special, or other examinations, as the Commission may prescribe, of all records the Applicant maintains; and (5) during the term of this Order, Applicant, its investment managers, and all other persons in their transactions with or on behalf of the Applicant shall be subject to and comply with (a) all provisions of the Act, and rules and regulations thereunder, from which no exemption has been granted, as though Applicant were a registered investment company, and (b) the terms and conditions of this order.

REQUEST FOR SUBSEQUENCE ORDER

Applicant further requests, pursuant to Section 6(c) and 6(e) of the Act, that it be exempt by a subsequent order of the Commission, retroactively from April 1, 1976, the date on or about which Applicant entered into investment management agreements with the banks, until the earlier of March 31, 1977 or the final IRS administrative determination of Applicant's status under Code Section 401, from all the foregoing Sections of the Act for the reasons and subject to the terms and conditions set forth above, and also from Sections 10(e) and 21(a) of the Act.

Section 10(e) of the Act provides the manner for filling vacancies of directors where more than 60% of remaining directors would be "interested persons" under the Act. Applicant states that an exemption from Section 10(e) is necessary because its Trust Agreement provides the exclusive method for filling vacancies among its Trustees, and that method is inconsistent with the provisions of Section 10(e).

Section 21(a) of the Act in part prohibits an investment company from lending money in contravention of investment policies recited in its registration statement or reports filed under the Act. Applicant asserts that an exemption from Section 21(a) is necessary because it has not filed any registration statements or reports with the Commission in which its investment policies are recited. Applicant states that it has made loans in the past and may make future loans; and while it has instituted a temporary moratorium on new real estate loans, it may fund existing real estate loan commitments and could make other loans.

Applicant states that because of its pending request for an IRS redetermination of its status under Code Section 401, and because of the limited duration of the requested subsequent order, the requested exemptions, on the terms and conditions above set forth, are appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than November 8, 1976, at 5:30 p.m., submit to the Commission in writing, a request for a hearing on the matter, accompanied by a statement as to the nature of his inter-

est, the reason for such request, and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail upon Applicant at the address stated above. Proof of such service (by affidavit or in case of an attorney-at-law by certificate) shall be filed contemporaneously with the request. As provided by Rule 0-5 of the Rules and Regulations promulgated under the Act, an order disposing of the application may be issued as of course following said date, unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-30681 Filed 10-19-76;8:45 am]

[Release No. 19711, 70-5903]

CONNECTICUT LIGHT & POWER CO. AND HARTFORD ELECTRIC LIGHT CO.

Proposed Consolidation of Certain Operations

OCTOBER 12, 1976.

Notice is hereby given that The Connecticut Light & Power Company ("CL&P"), Seldin Street, Berlin, Connecticut 06037, and The Hartford Electric Light Company ("HELCO"), 176 Cumberland Avenue, Hethersfield, Connecticut 06109, both of which are wholly-owned public utility subsidiaries of Northeast Utilities ("Northeast"), a registered holding company, have filed an application with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act") designating Section 13(b) of the Act and Rules 86, 87, 90 and 91 promulgated thereunder as applicable to the proposed transaction. All interested persons are referred to the application, which is summarized below, for a complete statement of the proposed transaction.

CL&P and HELCO, the two principal Connecticut operating subsidiaries of Northeast, propose to reorganize and consolidate their various regional utility operation functions. Under the proposed plan, CL&P will provide regional employee and related support services to HELCO within the respective service areas of HELCO, pursuant to a service contract ("Service Contract"). The proposal is basically an electric plan which accommodates the present gas operations of the two companies on an interim basis pending resolution of ongoing divestiture proceedings (HAR No. 19576).

The proposed consolidation of Northeast's Connecticut operations is designed to further realize benefits anticipated

from the 1966 affiliation of CL&P, HELCO and Western Massachusetts Electric Company ("WMECO") as operating subsidiaries of Northeast. That affiliation contemplated certain cost savings and improvements in efficiencies through the centralization of various staff services. The basic managerial objective underlying such holding company structure was to realize all advantages from integrated operations consistent with state and local regulatory requirements and the advantages of full authority and responsibility at the local operational level.

At present, CL&P and HELCO operate separately at the local level. Both companies serve customers in sections of Connecticut where the other company serves a larger number of customers, necessitating in some instances duplication of facilities and personnel. In addition, due to variations in the size of the present districts and divisions (measured by the number of customers served) there are substantial variations, both between CL&P and HELCO and within their respective organizations, in the number of personnel assigned to such areas and in the division of responsibilities among division and district personnel.

The proposed reorganization contemplates the division of Northeast's Connecticut operations into five operating Regions, each of which will be under the direction of a Regional Vice President who will be an officer of both CL&P and HELCO. Northeast's Massachusetts operations will continue to be conducted by WMECO and will constitute a sixth Region. Each Region is to be divided into three Districts, and customers will be served from one or more Area Work Centers within the District. Each Regional Vice President will be responsible for all non-production and non-construction activities carried out within the Region and will supervise the District Manager of each district within the Region as well as overseeing officers with region-wide responsibility for personnel, community relations, customer services and operations. The District Managers will be responsible for energy consulting services, customer accounting (such as meter reading and collectors), appliance service, building maintenance and stores. The Area Work Centers will be the basic geographical units responsible for construction, operation and maintenance of the distribution system, and maintenance of the transmission system. In addition to these primary duties the Area Operating Superintendent will direct technical, operating, clerical, vehicle maintenance and meter support groups.

Within the District organization, the District Manager will be responsible for those functions that are direct customer services, while the Area Operating Superintendent will be responsible for the operation and maintenance of the distribution system. It is anticipated that such arrangements will place administrative authority and responsibility for all daily decisions directly affecting both customer services and operations at the lowest practical level and under the

supervision of individuals with skills in these specific areas.

The Regional organization has been established to provide administrative direction and control over the total range of District functions—both customer services and distribution operations—for a major segment of the system companies' service areas; and to provide certain staff services, such as distribution planning and the operation of customer service centers, for several Districts in a more cost-effective manner than would be possible if these activities were performed by each District individually. The establishment of a Regional management function also provides a means of coordinating and directing the combined customer service and distribution activities.

CL&P and HELCO also anticipate future cost savings for personnel and facilities. It is estimated that completion of the proposed consolidation will permit the elimination of approximately 140 positions. Approximately 65 of these positions have already been eliminated through attrition. It is anticipated most of the planned personnel reductions will be realized at the present area work center level and will be distributed proportionately among the various job classifications at that level. It is estimated that, based upon salary and employee benefit levels for 1976, the companies have realized payroll and related expense savings of approximately \$1,400,000 by virtue of staff reductions already effected. The companies also state that additional annual savings of approximately \$1,500,000 may be realized upon completion of the proposed consolidation. It is projected that savings from the elimination of the need for duplicate regional and district office facilities will amount to \$13,500,000 over the next eight years but savings of only \$6,020,000 through 1999.

Where services performed by CL&P can be identified as being performed specifically for HELCO, the cost of such services will be charged directly and solely to HELCO. Where a service is performed in part of each company, the cost of such service will be allocated between the two companies and charged in part to each.

Direct costs, such as wages and salaries of employees, cost of vehicle operations and the cost of materials and supplies, will, to the extent practicable, be separately recorded and identified by the use of appropriate source documents.

Charges for CL&P's regional, district or other employees who are simultaneously performing services for both CL&P and HELCO or for use of certain common facilities where it is impracticable to separately record and identify individual time or use charges will be allocated between the companies on the basis determined to be most fair and equitable. In instances in which allocation of charges is necessary, several different bases for allocation will be used in connection with different types of services performed by CL&P for HELCO. Charges for services provided by the offices of the Regional Vice President, Dis-

trict Manager, Energy Consulting Services, Community Relations, Personnel and Building Maintenance will be allocated on the basis of the previous year's gross operating revenues for each company from operations within the respective region or district. Service charges for services performed by the Customer Service Center, Customer Information Center, the Office of Appliance Service and the Office for Customer Billing and Accounting will be allocated on the basis of each company's total number of customers for the previous year within the appropriate region or district. Charges for services rendered by the Offices of Regional Superintendents, Area Operations, Transportation and Stores will be allocated on the basis of each company's gross utility plant in service for the previous year within the appropriate region or district. It is also stated that in some instances some other method of allocation will prove to be more fair and equitable than any of the foregoing methods; if such an occasion should arise the appropriate alternative method will be used.

Under the proposed reorganization there will be a single regional organization structure in Connecticut, all of the employees of which will be on or transferred to the payroll of CL&P. CL&P will enter into a service contract with HELCO to provide for the performance of the necessary operations and services for HELCO by CL&P's employees and for the payment of the costs thereof by HELCO. The intercompany accounting for such services will not materially vary from the manner in which HELCO presently is charged for services performed in its service areas by others. Services performed within or for a HELCO service area by a regional employee with related indirect expense (e.g., pension and unemployment compensation expenses, fringe benefits) would be directly charged to the appropriate accounts identifying HELCO as the recipient thereof. Cost components relating to the use of tangible personal property within the service areas of either CL&P or HELCO generally would be allocated on the basis of usage of such property within such areas.

No present transfers of title to real estate or other property from HELCO to CL&P are contemplated in connection with the performance of such services.

It is stated that the proposed service contract between CL&P and HELCO does not require the approval of any state commission but may be subject to the jurisdiction of the Connecticut Public Utilities Central Authority. No other State commission and no Federal commission, other than this Commission has jurisdiction over the proposed transaction. A statement of the fees and expenses to be incurred in connection with the proposed transaction will be filed by amendment.

Notice is further given that any interested person may, not later than November 5, 1976, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for

such request, and the issues of fact or law raised by the filing which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail upon the applicants at the above-stated address, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. At any time after said date, the application, as filed or as it may be amended, may be granted effective as provided in Rule 23 of the General Rules and Regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered will receive any notices or orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-30682 Filed 10-19-76;8:45 am]

[File No. 500-1]

DECAIR CORP.

Suspension of Trading

OCTOBER 14, 1976.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the securities of Decair Corporation being traded on a national securities exchange or otherwise is required in the public interest and for the protection of investors;

Therefore, pursuant to section 12(k) of the Securities Exchange Act of 1934, trading in such securities on a national securities exchange or otherwise is suspended, for the period from 9:45 a.m. e.d.t., on October 14, 1976 through October 23, 1976.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-30843 Filed 10-19-76;8:45 am]

[File No. 500-1]

DIVERSIFIED INDUSTRIES, INC.

Suspension of Trading

SEPTEMBER 17, 1976.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the securities of Diversified Industries, Inc. being traded on a national securities exchange or otherwise is required in the public interest and for the protection of investors;

Therefore, pursuant to Section 12(k) of the Securities Exchange Act of 1934, trading in such securities on a national securities exchange or otherwise is suspended, for the period from September 18, 1976 through September 27, 1976.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-30683 Filed 10-19-76;8:45 am]

[File No. 500-1]

DIVERSIFIED INDUSTRIES, INC.

Suspension of Trading

SEPTEMBER 27, 1976.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the securities of Diversified Industries, Inc. being traded on a national securities exchange or otherwise is required in the public interest and for the protection of investors;

Therefore, pursuant to Section 12(k) of the Securities Exchange Act of 1934, trading in such securities on a national securities exchange or otherwise is suspended, for the period from September 28, 1976 through October 7, 1976.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-30684 Filed 10-19-76;8:45 am]

[812-4025]

INVESTORS DIVERSIFIED SERVICES, INC. ET AL.

Application of Act for an Order Approving an Offer of Exchange

Notice is hereby given that Investors Diversified Services, Inc., ("IDS"), IDS Life Variable Annuity Fund A ("Fund A"), IDS Life Variable Annuity Fund B ("Fund B"), and IDS Life Insurance Company ("IDS Life") (hereinafter collectively referred to as the "Applicants"), Minneapolis, Minnesota 55402, have filed an application on September 3, 1976 under section 11(a) of the Investment Company Act of 1940 (the "Act") for an order approving an offer of exchange. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein which are summarized below.

IDS, which is registered with the Commission as a broker-dealer and investment adviser, owns substantially all of the outstanding capital stock of IDS Life, a stock life insurance company organized under the laws of the state of Minnesota. Fund A and Fund B are separate accounts of IDS Life which are registered under the Act as open-end diversified management investment companies. Fund B offers individual variable annuity contracts to purchasers under certain tax-qualified plans and Fund A offers individual variable annuity contracts to other purchasers. IDS and IDS Life serve as investment advisers to,

and IDS Life serves as principal underwriter for, Funds A and B.

IDS also serves as investment adviser to and principal underwriter for IDS Bond Fund, Inc., IDS Growth Fund, Inc., IDS New Dimensions Fund, Inc., IDS Progressive Fund, Inc., Investors Mutual, Inc., Investors Selective Fund, Inc., Investors Stock Fund, Inc., and Investors Variable Payment Fund, Inc. (collectively referred to as the "Investors Funds") which are registered as open-end investment companies under the Act. IDS Cash Management Fund, Inc., is also advised by IDS but is not affected by this application.

EXCHANGE OFFER

Fund A and Fund B fund certain variable annuity contracts offered by IDS Life, including an individual single payment immediate combination (i.e., fixed and variable annuity (the "contract")). IDS Life assesses certain administrative and sales charges for the contracts. For contracts funded by Fund A, these charges range from 2 percent of the first \$15,000 payment for administrative fees and 6 percent for sales charges to .5 percent for administrative charges and 1.5 percent for sales charges of any payment over \$75,000. Charges on contracts funded by Fund B range from 2 percent of the first \$1,500 payment for administrative charges and 13 percent for sales charges to .5 percent for administrative charges and 1.5 percent for sales charges of any payment over \$75,000.

Under the terms of the proposed exchange offer, shareholders of the Investors Funds may exchange their shares for an individual single payment immediate combination variable annuity funded by either Fund A or Fund B and receive a reduction in the sales charges normally assessed by IDS Life. Thus, an Investors Fund shareholder who redeems his shares and utilizes the proceeds therefrom to purchase a single payment immediate combination variable annuity funded by Fund A or Fund B will pay the same administrative charges but a sales charge of 1.5 percent of the first \$25,000, 1 percent of the next \$25,000, .5 percent of the next \$25,000 and .25 percent of amounts over \$75,000. A charge will also be made for any applicable state premium taxes.

SECTION 11

Section 11(a) of the Act provides, in relevant part, that it shall be unlawful for any registered open-end company or any principal underwriter therefor to make or cause to be made an offer to the holder of a security of such company or of any other open-end investment company to exchange his security for a security of the same or another such company on any basis other than the relative net asset values of the respective securities to be exchanged, unless the terms of the offer have first been submitted to and approved by the Commission. Since the proposed transaction is an offer of exchange made at other than net asset value, Applicants request Commission approval of the terms of the exchange offer.

Applicants request an order pursuant to Section 11 to permit the sale by IDS Life of individual single payment immediate combination variable annuity contracts funded by Fund A or Fund B at a reduced sales load of a maximum of 1.5% of the first \$25,000 payment declining to .25% of any payment over \$75,000 to persons utilizing proceeds from the redemption of shares held in the Investors Funds.

Applicants represent that exchanges of Investors Fund shares for the contracts will not be solicited by sales representatives of IDS Life and/or IDS and that stringent compliance standards and procedures described in the application will be implemented to assure that such exchanges are suitable. Applicants represent that it is necessary and desirable to compensate their sales representatives who aid in the processing of any exchange from the Investors Funds into an immediate variable annuity. They further represent that the commission specified in the application are appropriate to compensate the field representative for the amount of time, effort and actual cost involved in servicing the purchaser's needs in the typical exchange case.

Applicants submit that the granting of the requested order is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and the provisions of the Act.

Notice is further given that any interested person may, not later than November 9, 1976 at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter, accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail upon Applicants at the address stated above. Proof of service (by affidavit, or in case of an attorney at law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application will be issued as of course following November 9, 1976 unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponement thereof.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc. 76-30844 Filed 10-19-76; 8:45 am]

[Release No. 34-12887; File No.

SR-MSTC-76-11]

MIDWEST SECURITIES TRUST CO.

Self-Regulatory Organizations

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), as amended by Pub. L. No. 94-29 (June 4, 1975), notice is hereby given that on October 4, 1976, the above mentioned self-regulatory organization filed with the Securities and Exchange Commission a proposed rule change as follows:

STATEMENT OF THE TERMS OF SUBSTANCE OF THE PROPOSED RULE CHANGE

The Midwest Securities Trust Company is increasing its basic monthly service charge to participants from \$100.00 to \$150.00.

STATEMENT OF BASIS AND PURPOSE

The basis and purpose of the foregoing proposed rule change is as follows:

The purpose of the proposed rule change is to provide funds to pay for additional service costs as a result of increases in personnel, computer and communications equipment, and physical safeguarding facilities.

The proposed rule change represents equitable allocation of reasonable dues, fees and other charges among its participants.

Comments have neither been solicited nor received.

The Midwest Securities Trust Company believes that no burden has been placed on competition. Its basic charge is still considerably less than its largest competitor. The increase in price simply represents an increase in fixed costs with respect to providing Midwest participants quality services.

The foregoing rule change has become effective, pursuant to Section 19(b)(3) of the Securities Exchange Act of 1934. At any time within sixty days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Securities Exchange Act of 1934.

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons desiring to make written submissions should file 6 copies thereof with the Secretary of the Commission, Securities and Exchange Commission, Washington, D.C. 20549. Copies of the filing with respect to the foregoing and of all written submissions will be available for inspection and copying in the Public Reference Room, 1100 L Street, NW., Washington, D.C. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number referenced in the caption above and should be submitted on or before November 9, 1976.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

OCTOBER 13, 1976.

[FR Doc. 76-30886 Filed 10-19-76; 8:45 am]

[Release No. 34-12886; File No.
SR-NYSE-76-48]

NEW YORK STOCK EXCHANGE, INC.

Self-Regulatory Organizations

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1) as amended by Pub. L. No. 94-29, 16 (June 4, 1975), Notice is hereby given that on September 27, 1976, the above mentioned self-regulatory organization filed with the Securities and Exchange Commission a proposed rule change as follows:

STATEMENT OF THE TERMS OF SUBSTANCE OF THE PROPOSED RULE CHANGE

The rule changes discussed herein are designed to amend age and sponsorship requirements for approval of members and sponsorship requirements for approval of allied members in a manner consistent with the 1975 amendments to the Securities and Exchange Act of 1934.

STATEMENT OF BASIS AND PURPOSE OF PROPOSED RULE CHANGE

The Securities Acts Amendments of 1975 (the 1975 Amendments) require that an exchange may not impose artificial barriers to membership. In a letter to Mr. James J. Needham, former Chairman of the Exchange, dated March 2, 1976, the Securities and Exchange Commission raised questions regarding the Constitutional and rule provisions that are being herein amended.

Article IX, Section 2 of the Exchange Constitution and Rule 301.10 require that a person must be at least 21 years of age to be eligible for election as a member of the Exchange. The aim of the requirement is to ensure that members meet a standard of competency, in this instance, competency to enter into legally binding contracts since 21 equals or exceeds the age of majority in all national jurisdictions. However, it was concluded by the Exchange that this aim could be similarly achieved by changing the age requirement from 21 to the minimum age at which the member would be responsible for his contracts in the jurisdictions in which he will conduct business.

Rules 301.24 and 312.20 require that applicants for membership or allied membership be sponsored by two members or allied members. Sponsorship requirements provide a basis for determining competency, i.e., whether a prospective member or allied member has engaged in or is likely to engage in acts or practices inconsistent with just and equitable principles of trade. In keeping with this, the Exchange has elected to retain a sponsorship requirement, but per-

mit responsible persons other than members and allied members to provide testament to a candidate's character and integrity.

BASIS UNDER THE ACT FOR PROPOSED RULE CHANGES:

The amendments referred to herein are deemed by the Exchange consistent with Section 6(b)(2) of the Act which states that, subject to Section 6(c), exchange rules must provide that any registered broker or dealer or any natural person associated with a registered broker or dealer may become a member of such exchange and any person may become associated with a member thereof. Section 6(c)(3) of the Act states that an "exchange may examine and verify the qualifications of an applicant to become a member and the natural persons associated with such an applicant * * *".

(1) The proposed amendments will better enable the Exchange to carry out the purposes of the Act in regard to the approval of members and certain persons associated with a member, in this case, allied members.

(2) The proposed amendments will remove unnecessary burdens restricting the ability of persons to become members or associated with a member of the Exchange.

TEXT OF PROPOSED AMENDMENTS

PROPOSED CONSTITUTIONAL AMENDMENT

New language *italics*, deleted language [bracketed]

ARTICLE IX

Membership—Allied Membership—
Member Firm—Member Corporation

ELIGIBILITY

Sec. 2. To be eligible for election as a member of the Exchange, a person must be at least [twenty-one years of age] the minimum age of majority required to be responsible for his contracts in each jurisdiction in which he conducts business and a citizen of the United States; any person elected shall have all the rights and privileges and shall be under all the duties and obligations of a member of the Exchange in accordance with the Constitution.

PROPOSED RULE AMENDMENTS

RULE 301 Proposed Transfer of Membership.

RULE 301.10 Age and citizenship—An applicant for membership in the Exchange must be at least [twenty-one years of age] the minimum age of majority required to be responsible for his contracts in each jurisdiction in which the applicant conducts business and a citizen of the United States (Art. IX, Sec. 2, Para. 1402).

23 Applications for membership—In making application for membership, a candidate is required to sign a personal statement, on a form prescribed by the Exchange, giving, among other things, complete details as to his business history. He must arrange with the Medical Clinic located in the Exchange building for a physical examination. He must present letters of recommendation from at least three responsible persons other than those persons referred to in 24 below.

24 Sponsorship—An applicant for membership shall be sponsored by two members or allied members of the Exchange of at least one year's standing, or be proposed for membership by two other responsible individuals, who have known the applicant sufficiently well and over a long enough period of time

that they can unqualifiedly endorse the character and integrity of the applicant from their personal knowledge of him and of his business connections.

A casual social or business acquaintanceship is not sufficient basis to qualify a member, [or] an allied member [as a sponsor] or other individual to sponsor or propose the membership applicant.

Individuals who sponsor or propose an applicant for membership [The sponsors] are required to read and sign the candidate's application and may also be required to appear with an applicant at the time the application is presented for consideration.

PARA. 2312 Notice of Changes Within Member Organizations

RULE 312 * * *

20 Allied member sponsorship—An applicant for approval as an allied member of the Exchange shall be sponsored by two members or allied members of the Exchange of at least one year's standing, or be proposed for allied membership by two other responsible individuals who have known the applicant sufficiently well and over a long period of time that they can unqualifiedly endorse the character and integrity of the applicant from their personal knowledge of him and of his business connections. A casual social or business acquaintanceship is not sufficient basis to qualify a member, [or] an allied member [as a sponsor] or other individual to sponsor or propose the applicant. [The sponsors] They should, if possible, not be associated with the organization which the applicant proposes to join. [The sponsors] They are required to read and sign the proposed allied member's application.

[Sponsors are not required for a proposed] An applicant for allied membership who has been either a member or an allied member of the Exchange within one year of the date of the new application is not required to be sponsored or proposed.

COMMENTS RECEIVED FROM MEMBERS, PARTICIPANTS, OR OTHERS ON PROPOSED RULE CHANGES

No comments were solicited or received concerning the proposed rule changes.

BURDEN ON COMPETITION

The amendments discussed herein are deemed by the Exchange to impose no burden on competition.

Within 35 days of the date of publication of this notice in the Federal Register, or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the above mentioned self-regulatory organization consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons desiring to make written submissions should file six copies thereof with the Secretary of the Commission, Securities and Exchange Commission, Washington, D.C. 20549. Copies of the filing with respect to the foregoing and of all written submissions will be available for inspection and copying in the Public Reference Room, 1100 "L" Street, NW., Washing-

ton, D.C. Copies of such filing will also be available for inspection and copying at the principal office of the above mentioned self-regulatory organization. All submissions should refer to the file number referenced in the caption above and should be submitted on or before November 9, 1976.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

OCTOBER 12, 1976.

[FR Doc. 76-30687 Filed 10-19-76; 8:45 am]

[Release No. 12885]

REUTERS LTD. ("REUTERS"), ET AL.

Exemptions From Display Requirements

OCTOBER 12, 1976.

Notice is hereby given that the Securities and Exchange Commission has granted exemptions to certain vendors who disseminate last sale information outside the United States with respect to transactions in certain United States securities from Rule 17a-15 (the "Rule") under the Securities Exchange Act of 1934 (the "Act") insofar as the Rule requires, through the operation of plans declared effective pursuant to its provisions, that vendor interrogation systems display last sale information in accordance with specified requirements. The exemptions cover certain requirements specified in the Rule and in the joint industry plan for the operation of the consolidated transaction reporting system filed with and declared effective by the Commission in accordance with the Rule (the "Plan").

In addition to requiring national securities exchanges, the National Association of Securities Dealers, Inc., and certain non-member broker-dealers to file plans with the Commission for the consolidated reporting of transactions in listed securities, the Rule provides that any such plan filed with the Commission must contain provisions requiring vendors of market information to agree to display last sale information only in accordance with certain requirements, including the following:

The plans also shall require that any person displaying last sale reports [reports of prices and volume of all completed transactions] shall agree not to exclude such reports based upon the market in which a transaction was executed and that any public display of selected last sale reports be clearly identified as only reporting selected transactions classified as to size, category of security, or other criteria. Each such composite tape or interrogation system, in displaying last sale reports, shall identify the marketplace where each such transaction was executed.¹

The display requirements prescribed by the Rule were clarified by the Commission in an interpretative release issued on

¹ See Rule 17a-15(b); See also Joint Industry Plan, Sections V(b), VIII (f) and (g).

March 28, 1975.² In that release, the Commission described the minimum display requirements under the Rule as follows:

Interrogation systems must be able to display the most recent last sale price as reported in the consolidated system, accompanied by, absent an exemption, a market identifier indicating the marketplace in which the most recent last sale occurred, and, in addition, simultaneously or upon separate inquiry, by some non-misleading display of volume.³

Paragraph (h) of Rule 17a-15 provides that the Commission may exempt from the provisions of the Rule, either unconditionally or on specified terms and conditions, any exchange, association, broker, dealer, or vendor if the Commission determines that

it is not necessary in the public interest or for the protection of investors that such exchange, association, broker, dealer, vendor, . . . be subject to the provisions of this Rule.

Reuters, TSE, and Quotations each have applied for an exemption from the display requirements of the Rule and the Plan. The Commission finds, consistent with the provisions of paragraph (h) of the Rule and upon the terms and conditions stated herein, that exemptions should be granted to these applicants.

REUTERS LIMITED

Reuters has requested an exemption for its "Stockmaster" interrogation devices presently in use in a number of foreign countries.⁴ Reuters has represented that it is unable to modify these machines to comply with the requirement of the Rule that last sale reports be identified by market of execution. Reuters has indicated that it is in the process of phasing out this equipment and that, if forced prematurely to retire these machines from service, it will suffer a significant financial loss. Finally, Reuters has indicated that, in a number of countries serviced by its "Stockmaster" devices, it is the only supplier of last sale information with respect to United States securities markets and that, if the "Stockmaster" devices currently in service were forced to be withdrawn at this time, investors in these countries would be deprived (at least temporarily) of current last sale information with respect to United States securities markets.

While the Commission believes it is important that displays of consolidated last sale reports identify the market of execution in order to assure that such reports will not be misleading, the Commission has determined that, in light of Reuters' commitment to phasing out its non-complying "Stockmaster" equipment, and in light of the potential reduction (at least temporarily) in the availability of current last sale information with respect to United States se-

curities markets to investors in many countries should Reuters' be forced immediately to withdraw its "Stockmaster" devices from service, it is not necessary in the public interest or for the protection of investors for Reuters' "Stockmaster" interrogation devices currently in use to comply at this time with the market identification requirement of the Rule and hereby exempts Reuters from that requirement with respect to those "Stockmaster" devices currently in service until December 31, 1978; provided that Reuters makes no new installation of "Stockmaster" equipment.

TORONTO STOCK EXCHANGE

The TSE has requested an exemption for its Candat I system in Canada, until December 31, 1976, from the requirement that any person displaying last sale reports not exclude such reports based upon the market in which a transaction is executed.⁵ The TSE has indicated that, until recently, technical limitations in the Candat I system prevented it from storing and displaying last sale information from all reporting markets. The TSE has indicated, however, that the Candat I system can, and will, be modified to comply with the display requirements of the Rule by December 31, 1976.

In light of the small number of non-complying Candat I interrogation devices currently in service,⁶ and in light of the short duration of the relief requested by the TSE, the Commission has determined that it is not necessary in the public interest or for the protection of investors that the Candat I system comply with the display requirements of the Rule until December 31, 1976. The Commission therefore grants the TSE an exemption for its Candat I interrogation devices until that date.

COMBINED MARKET QUOTATIONS LTD.

Quotations, a wholly-owned subsidiary of GTE Information Systems, Inc. ("GTE"), has requested an exemption for its "Stockmaster" interrogation devices presently in use in Canada until December 31, 1978.⁷ Quotations has represented that it is unable to modify these devices to comply with the requirement of the Rule that last sale reports be identified by market of execution. Quo-

tations has also indicated that it is in the process of phasing out this equipment and that, if forced prematurely to retire these machines from service, it will suffer a significant financial loss.

The Commission has determined that, in light of Quotations' commitment to a firm date for phasing out this non-complying equipment, it is not necessary in the public interest or for the protection of investors that Quotations' "Stockmaster" interrogation devices currently in use comply at this time with the market identification requirement of the Rule and hereby exempts Quotations from that requirement with respect to those "Stockmaster" devices currently in service until December 31, 1978; provided that Quotations makes no new installation of "Stockmaster" equipment.⁸

It is therefore ordered, pursuant to paragraph (h) of Rule 17a-15, and upon the terms and conditions stated herein, that exemptions from the display requirements of the Rule, as requested by Reuters, TSE and Quotations, be, and they hereby are, granted.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-30685 Filed 10-19-76; 8:45 am]

[File No. 81-226]

SCM OVERSEAS CAPITAL CORP.

Application and Opportunity for Hearing

OCTOBER 5, 1976.

Notice is hereby given that SCM Overseas Capital Corporation (the "Applicant") has filed an Application pursuant to section 12(h) of the Securities Exchange Act of 1934, as amended (the "1934 Act"), for a finding that an exemption from the requirement to file reports pursuant to section 13 of the 1934 Act would not be inconsistent with the public interest or the protection of investors.

Section 12(b) of the 1934 Act provides that an issuer may register securities on a national exchange by filing a registration statement with both the exchange and the Securities and Exchange Commission which registration statement contains information as to the issuer and any person directly or indirectly controlling or controlled by the issuer as the Commission may require for the protection of investors or in the public interest.

Section 13 of the 1934 Act requires that issuers of securities registered pursuant to section 12 must file certain periodic reports with the Commission for the protection of investors and to insure fair dealing in the security.

⁸ The Commission previously granted an exemption until December 31, 1978, to GTE, Quotations' parent company, for GTE's "Stockmaster" equipment. Securities Exchange Act Release No. 12175 (March 8, 1976), 41 FR 10679 (1976). That exemption was granted on the basis of representations made with respect to GTE's operations in the United States, and did not apply to the activities of corporate affiliates of GTE in the United States or elsewhere.

² Securities Exchange Act Release No. 11317 (March 28, 1975), 40 FR 15461 (1975).

³ *Id.* at 2, 40 FR 15462 (1975).

⁴ Letters from Lawrence Entel, Assistant House Counsel, Reuters Limited, to Bart S. Friedman, Assistant Director, Division of Market Regulation, June 4, 1976.

⁵ Letters from J. M. Ardron, Director, Computer Systems & Planning, Toronto Stock Exchange, to Bart Friedman, Assistant Director, Division of Market Regulation, April 30, 1976, and June 18, 1976.

⁶ Less than half of the interrogation devices in the Candat I system display information with respect to transactions in New York Stock Exchange listed securities reported in the consolidated transaction reporting system.

⁷ Letter from D. H. Crawford, General Manager, Combined Market Quotations Ltd., to Bart Friedman, Assistant Director, Division of Market Regulation, June 18, 1976. Quotations also requested an exemption for its Instantquote (an electromechanical wall display) devices currently in service in Canada. Since those devices display information only with respect to transactions in commodities, no exemption from Rule 17a-15 is necessary for their continued operation.

Section 12(h) of the 1934 Act empowers the Commission to exempt, in whole or in part, any issuer or class of issuers from the periodic reporting provisions of section 13, if the Commission finds, by reason of the number of public investors, amount of trading interest in the securities, the nature and extent of the activities of the issuer, income or assets of the issuer or otherwise, that such exemption is not inconsistent with the public interest or the protection of investors.

The Applicant states in part:

1. Applicant, a Delaware corporation, is a wholly owned subsidiary of SCM Corporation ("SCM"), a diversified company. Applicant operates as an overseas financing vehicle for SCM and its subsidiaries.

2. In 1969, Applicant issued \$15 million principal amount of 5 1/4 percent Convertible Subordinated Guaranteed Debentures due 1989 (the "Debentures") to foreign investors.

3. The Debentures are convertible into shares of SCM common stock and are unconditionally guaranteed as to payment of principal, interest and all required sinking fund payments by SCM.

4. The Debentures are listed on the New York Stock Exchange and are registered pursuant to section 12(b) of the 1934 Act.

5. Since the Debentures were listed on the New York Stock Exchange in 1969, there has been little or no trading in the Debentures.

In the absence of an exemption, Applicant is required to file certain periodic reports with the Commission pursuant to section 13 of the 1934 Act because the Debentures are registered with the Commission and listed on the New York Stock Exchange.

Accordingly, Applicant believes that the exemptive order requested by it is appropriate in view of the lack of trading in the Debentures, and the fact that since the Debentures are guaranteed by and convertible into common stock of SCM, it is the 1934 Act reports of SCM, and not those of Applicant, in which Debentureholders and investors would be primarily interested.

For a more detailed statement of the information presented, all persons are referred to the Application which is on file in the offices of the Commission at 500 North Capitol Street, Washington, D.C.

Notice is further given that any interested person not later than November 1, 1976, may submit to the Commission in writing his views or any substantial facts bearing on this Application or the desirability of a hearing thereon. Any such communication or request should be addressed to: Secretary, Securities and Exchange Commission, 500 North Capitol Street, NW., Washington, D.C. 20549 and should, state briefly the nature of the interest of the person submitting such information or requesting the hearing, the reason for such request and the issues of fact and law raised by the Application which he desires to controvert. At any time after said date, an order granting the Applica-

tion in whole or in part may be issued upon request or upon the Commission's own motion.

By the Commission,

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-30845 Filed 10-19-76;8:45 am]

INTERSTATE COMMERCE COMMISSION

[Notice No. 173]

ASSIGNMENT OF HEARINGS

OCTOBER 15, 1976.

Cases assigned for hearing, postponement, cancellation, or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested.

MC 129615 (Sub-No. 17), American International Drive-Away, now assigned November 2, 1976 at Chicago, Illinois is canceled and the application is dismissed.

MC 64832 (Sub-No. 6), Magnolia Truck Line, Inc., now being assigned for continued hearing on November 11, 1976 (2 days), at the Executive Plaza Inn, 1741 E. Brooks Road, Memphis, Tenn.

MC 46421 (Sub-No. 12), Escro Storage & Cartage, Inc., now assigned October 18, 1976, at New York, N.Y. is canceled and transferred to Modified Procedure.

MC-FC-76795, Schwerman Trucking Co. of Fla., Inc. Milwaukee, Wisconsin, Transfree and Schwerman Trucking Co. Milwaukee, Wisconsin, Transferor, now assigned November 9, 1976, at Jacksonville, Fla., will be held in the Jacksonville Hilton Hotel, 565 S. Main Street.

MC 116763 Sub 339, Carl Subler Trucking, Inc., now assigned November 10, 1976, at Jacksonville, Fla., will be held at Jacksonville Hilton Hotel, 565 S. Main Street.

MC-F 12971, United Van Lines, Inc., H. Goldman, Inc., Daniels Transportation Co., Safeway System, Inc., George B. Holman & Co., Inc., Siser Bros., Inc. Stevens Van Lines, Inc., O.J. Glenn & Sons, Inc., and Fisher's Moving & Storage Co.—Investigation of Pooling, now assigned December 6, 1976, at St. Louis, Mo., will be held in Room 313, 3rd Floor, U.S. Courthouse & Customs, 1114 Market Street.

MC 138607 Sub 6, P. & N. Truck Service, Inc., now assigned November 2, 1976, at Olympia, Wash., will be held on the 4th Floor in the Conference Room, Highway & License Bldg., 12th & Washington Street.

MC 110563 Sub 180, Coldway Food Express, Inc., now assigned December 8, 1976, at St. Louis, Mo., Room 313, 3rd Floor, U.S. Courthouse & Customs, 1114 Market Street.

MC 115331 Sub 401, Truck Transport Incorporated, now assigned December 7, 1976, at St. Louis, Mo., will be held in Room 313, 3rd Floor, U.S. Courthouse & Customs, 1114 Market Street.

MC-F 12678, Jenkins Truck Line, Inc.—Control—Larry L. Fenner Transport, Inc., and MC 120298 Sub 2, now assigned December 1, 1976, at Chicago, Ill., will be held in

Room 313, 3rd, U.S. Courthouse & Customs, 1114 Market Street.

MC 51146 Sub 464, Schneider Transport, Inc., now assigned November 30, 1976, at Chicago, Ill., will be held in Room 313, 3rd Floor U.S. Courthouse & Customs, 1114 Market Street.

MC 55822 Sub 16, Victory Express, Inc., now assigned November 15, 1976, at Jacksonville, Fla., will be held at the Jacksonville Hilton Hotel, 565 S. Main Street.

MC 140093 Sub 4, Ball Motor Line Of Apopka, Inc., now assigned November 11, 1976, at Jacksonville, Fla., will be held at the Jacksonville Hilton Hotel, 565 S. Main Street.

MC-C-8995, Dugan Truck Line, Inc.—Investigation and Revocation of Certificates and Certificates of Registration and MC 120657 (Sub-No. 6), Dugan Truck Line, Inc., now assigned November 9, 1976, at Topeka, Kans. is canceled and reassigned for November 16, 1976, (4 days), at Wichita, Kans.; in a hearing room to be later designated.

MC 1931 (Sub No. 16), Vonder Ahe Van Lines, Inc., MC 15735 (Sub 27), Allied Van Lines, Inc., and MC 52793 (Sub 21), Bekins Van Lines Co., now assigned November 2, 1976 at Los Angeles, California and will be held in Room 2307, City National Bank Building, 606 South Oliver Street.

MC 117565 (Sub-No. 93), Motor Service Company, Inc., now assigned December 1, 1976, at Columbus, Ohio is canceled and application dismissed.

ROBERT L. OSWALD,
Secretary.

[FR Doc.76-30835 Filed 10-19-76;8:45 am]

FOURTH SECTION APPLICATIONS FOR RELIEF

OCTOBER 15, 1976.

An application, as summarized below, has been filed requesting relief from the requirements of section 4 of the Interstate Commerce Act to permit common carriers named or described in the application to maintain higher rates and charges at intermediate points than those sought to be established at more distant points.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1100.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

FSA No. 43248—*Iron or Steel Rods from Minnequa, Colorado*. Filed by Trans-Continental Freight Bureau, Agent (No. 509), for interested rail carriers. Rates on rods, iron or steel, coiled, in carloads, as described in the application, from Minnequa, Colorado, to specified points in Arizona, California, and New Mexico.

Grounds for relief—Motor carrier competition.

FSA No. 43254—*Vinyl Acetate from Points in Texas*. Filed by Southwestern Freight Bureau, Agent (No. B-638), for interested rail carriers. Rates on vinyl acetate, in tank-car loads, as described in the application, from Bayport, Baytown, and Houston, Texas, to Dayton, N.J., and Elkton, Maryland.

Grounds for relief—Market competition.

Tariff—Supplement 14 to Southwestern Freight Bureau, Agent, tariff 12-J,

I.C.C. No. 5219. Rates are published to become effective on November 13, 1976.

FSA No. 43256—*Beet or Cane Sugar from Points in California*. Filed by Trans-Continental Freight Bureau, Agent (No. 510), for interested rail carriers. Rates on sugar, beet or cane, dry, in bulk or in packages, in carloads, as described in the application, from specified points in California, to specified points in Illinois, Indiana, Iowa, Kentucky, Missouri, and Wisconsin.

Grounds for relief—Returned shipments and rate relationship.

Tariff—Supplement 1 to Trans-Continental Freight Bureau, Agent, tariff 2-N, I.C.C. No. 1935. Rates are published to become effective on November 15, 1976.

AGGREGATE-OF-INTERMEDIATES

FSA No. 43255—*Iron or Steel Rods from Minnequa, Colorado*. Filed by Trans-Continental Freight Bureau, Agent (No. 511), for interested rail carriers. Rates on rods, iron or steel, coiled, in carloads, as described in the application, from Minnequa, Colorado, to specified points in Arizona, California, and New Mexico.

Grounds for relief—Maintenance of depressed rates published to meet motor carrier competition without use of such rates as factors in constructing combination rates.

By the Commission.

ROBERT L. OSWALD,
Secretary.

[FR Doc. 76-30832 Filed 10-19-76; 8:45 am]

IRREGULAR-ROUTE MOTOR COMMON CARRIES OF PROPERTY-ELIMINATION OF GATEWAY LETTER NOTICES

OCTOBER 15, 1976.

The following letter-notices of proposals to eliminate gateways for the purpose of reducing highway congestion, alleviating air and noise pollution, minimizing safety hazards, and conserving fuel have been filed with the Interstate Commerce Commission under the Commission's *Gateway Elimination Rules* (49 CFR 1065), and notice thereof to all interested persons is hereby given as provided in such rules.

An original and two copies of protests against the proposed elimination of any gateway herein described may be filed with the Interstate Commerce Commission on or before November 1, 1976. A copy must also be served upon applicant or its representative. Protests against the elimination of a gateway will not operate to stay commencement of the proposed operation.

Successively filed letter-notices of the same carrier under these rules will be numbered consecutively for convenience in identification. Protests, if any, must refer to such letter-notices by number.

No. MC 40215 (Sub-No. E14), filed May 17, 1974. Applicant: RICHARDSON TRANSFER & STORAGE CO., INC., 246 N. 5th St., Salina, Kans. 67401. Applicant's representative: Theodore Polydoroff, Suite 600, 1250 Connecticut

Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, (a) from points in Louisiana to points in Colorado to those points in Iowa on and west of a line beginning at the Minnesota-Iowa State line, and extending along U.S. Highway 69, thence along U.S. Highway 69 to the Iowa-Missouri State line, Kansas, to those points in Minnesota on and west of a line beginning at the International Boundary line between the United States and Canada, and extending along U.S. Highway 35 to the Minnesota-Iowa State line, Nebraska, South Dakota, (b) from points in Louisiana on and west and south of a line beginning at the Arkansas-Louisiana State line, and extending along U.S. Highway 165 to junction Louisiana State Highway I to junction Louisiana State Highway 10, thence along Louisiana State Highway 10 to the Louisiana-Missouri State line, to points in Missouri on and west of a line beginning at the Missouri-Iowa State line, and extending along U.S. Highway 63 to the Missouri-Arkansas State line. The purpose of this filing is to eliminate the gateways of Garden City, Kans., Independence, Kans., to Manhattan, Kans., Wichita, and Salina, Kans., Galena, Kans., Kansas City, Kans.

No. MC 40215 (Sub-No. 15), filed May 17, 1974. Applicant: RICHARDSON TRANSFER & STORAGE CO., INC., 246 N. 5th St., Salina, Kans. 67401. Applicant's representative: Theodore Polydoroff, Suite 600, 1250 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (a) *Household goods*, as defined by the Commission from points in Maryland, to points in Arizona, to those points in Arkansas on and west of a line beginning at the Missouri-Arkansas State line, and extending along U.S. Highway 71 to junction U.S. Highway 70, thence along U.S. Highway 70 to the Arkansas-Oklahoma State line, California, Colorado, Idaho, to those points in Iowa on, south and west of a line beginning at the Iowa-Nebraska State line, and extending along Interstate Highway 80, to junction U.S. Highway 71 to the Iowa-Nebraska State line, Kansas; (b) from points in Maryland on, east and south of a line beginning at the Maryland-West Virginia State line, and extending along U.S. Highway 11 to the Maryland-Pennsylvania State line, to points in Missouri on and west of a line beginning at the Missouri-Iowa State line and extending along U.S. Highway 65 to the Missouri-Arkansas State line, Nebraska, Nevada, New Mexico, to those points in Oklahoma on, north and west of a line beginning at the Oklahoma-Arkansas State line and extending along Oklahoma State Highway 83 to junction U.S. Highway 271, thence along U.S. Highway 271 to the Texas-Oklahoma State line, Utah, to those points in Texas on and west of a line beginning at the Oklahoma-Texas State line and extending along U.S. Highway 259 to junction

U.S. Highway 69, thence along U.S. Highway 69 to the Gulf of Mexico, (c) from points in Maryland on and south of a line beginning at the Maryland-Pennsylvania State line and extending along U.S. Highway 40 to junction U.S. Highway 15, to junction Maryland State Highway 26 to the Chesapeake Bay, to points in Wyoming. The purpose of this filing is to eliminate the gateways of Ravenna, Ohio, Salina, Kans., Pratt, Kans., Galena, Kans., Garden City, Kans., Kansas City, Kans., Manhattan, Kans., Ft. Scott, Kans., Kansas City, Mo.

No. MC 46990 (Sub-No. E1), filed June 4, 1974. Applicant: TRANS-COUNTRY VAN LINES, INC., 3300 Veteran Highway, Bohemia, N.Y. 11716. Applicant's representative: Robert J. Gallagher, 1000 Connecticut Ave., N.W., Suite 1200, Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and east of a line beginning at the Pennsylvania-New York State line and extending along Interstate Highway 81 to the International Boundary line between the United States and Canada at or near Omar, N.Y., on the one hand, and, on the other, points in Alabama. The purpose of this filing is to eliminate the gateway of Towanda, Pa.

No. MC 46990 (Sub-No. E2), filed June 4, 1974. Applicant: TRANS-COUNTRY VAN LINES, INC., 3300 Veteran Highway, Bohemia, N.Y. 11716. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and east of a line beginning at the Pennsylvania-New York State line and extending along Interstate Highway 81 to the International Boundary line between the United States and Canada at or near Omar, N.Y., on the one hand, and, on the other, points in Arkansas. The purpose of this filing is to eliminate the gateway of Towanda, Pa.

No. MC 46990 (Sub-No. E3), filed June 4, 1974. Applicant: TRANS-COUNTRY VAN LINES, INC., 3300 Veteran Highway, Bohemia, N.Y. 11716. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and east of a line beginning at the Pennsylvania-New York State line and extending along Interstate Highway 81 to the International Boundary line between the United States and Canada located at or near Omar, N.Y., on the one hand, and, on the other, points in Colorado. The purpose of this filing is to eliminate the gateways of Millersburg, Pa. and Kinsley, Kans.

No. MC 46990 (Sub-No. E7), filed June 4, 1974. Applicant: TRANS-COUN-

TRY VAN LINES, INC., 3300 Veteran Highway, Bohemia, N.Y. 11716. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and east of a line beginning at the Pennsylvania-New York State line and extending along Interstate Highway 81 to the International Boundary line between the United States and Canada located at or near Omar, N.Y., on the one hand, and, on the other, points in Illinois. The purpose of this filing is to eliminate the gateway of Towanda, Pa.

No. MC 46990 (Sub-No. E9), filed June 4, 1974. Applicant: TRANS-COUNTRY VAN LINES, INC., 3300 Veteran Highway, Bohemia, N.Y. 11716. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and east of a line beginning at the Pennsylvania-New York State line and extending along Interstate Highway 81 to the International Boundary line between the United States and Canada located at or near Omar, N.Y., on the one hand, and, on the other, points in Kansas. The purpose of this filing is to eliminate the gateway of Millersburg, Pa.

No. MC 46990 (Sub-No. E10), filed June 4, 1974. Applicant: TRANS-COUNTRY VAN LINES, INC., 3300 Veteran Highway, Bohemia, N.Y. 11716. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and east of a line beginning at the Pennsylvania-New York State line and extending along Interstate Highway 81 to the International Boundary line between the United States and Canada located at or near Omar, N.Y., on the one hand, and, on the other, points in Kentucky, Louisiana, and Mississippi. The purpose of this filing is to eliminate the gateways of Millersburg, or Towanda, Pa.

No. MC 46990 (Sub-No. E11), filed June 4, 1974. Applicant: TRANS-COUNTRY VAN LINES, INC., 3300 Veteran Highway, Bohemia, N.Y. 11716. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and east of a line beginning at the Pennsylvania-New York State line and extending along Interstate Highway 81 to the International Boundary line between the United States and Canada located at or near Omar, N.Y., on

the one hand, and, on the other, points in Missouri. The purpose of this filing is to eliminate the gateway of Towanda, Pa.

No. MC 46990 (Sub-No. E13), filed June 4, 1974. Applicant: TRANS-COUNTRY VAN LINES, INC., 3300 Veteran Highway, Bohemia, N.Y. 11716. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and east of a line beginning at the Pennsylvania-New York State line and extending along Interstate Highway 81 to the International Boundary line between the United States and Canada located at or near Omar, N.Y., on the one hand, and, on the other, points in Texas. The purpose of this filing is to eliminate the gateway of Towanda, Pa.

No. MC 46990 (Sub-No. E15), filed June 4, 1974. Applicant: TRANS-COUNTRY VAN LINES, INC., 3300 Veteran Highway, Bohemia, N.Y. 11716. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and east of a line beginning at the Pennsylvania-New York State line and extending along Interstate Highway 81 to the International Boundary line between the United States and Canada located at or near Omar, N.Y., on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateway of Towanda, Pa.

No. MC 59150 (Sub-No. E46), filed October 29, 1974. Applicant: PLOOF TRANSFER CO., INC., P.O. Box 47, Station G, Jacksonville, Fla. 32206. Applicant's representative: Hampton M. Mills (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Particleboard*, from the plant site of the Celotex Corporation at Birmingham, Ala., to points in Maryland, District of Columbia, Delaware, New Jersey, Pennsylvania, New York, Connecticut, Rhode Island, Massachusetts, Vermont, New Hampshire, and Maine. The purpose of this filing is to eliminate the gateway of facilities of Temple Industries, Inc., at or near Thomson, Ga.

No. MC 74169 (Sub-No. E3), filed June 4, 1974. Applicant: CHIEFTAIN VAN LINES, INC., 7201 Main St., Ralston, Neb. 68127. Applicant's representative: Marvin D. Dudley (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, (1) between points in that part of Illinois on, west, and south of Interstate Highway 74, on the one hand, and, on the other, points in New York, on, north, and east of a line beginning at the United States-

Canada International Boundary line, thence along New York Highway 30 to junction New York Highway 86, thence along New York Highway 86 to junction New York Highway 73, thence along New York Highway 73 to junction New York Highway 9N, thence along New York Highway 9N to the New York-Vermont State line; (2) between points in that part of Illinois on and south of a line beginning at the Illinois-Iowa State line, thence along Interstate Highway 80 to junction U.S. Highway 51, thence along U.S. Highway 51 to junction Illinois Highway 17, thence along Illinois Highway 17 to the Indiana-Illinois State line, on the one hand, and, on the other, points in West Virginia; (3) between points in that part of Illinois and south of a line beginning at the Illinois-Iowa State line, thence along Interstate Highway 80 to junction U.S. Highway 51, thence along U.S. Highway 51 to junction Illinois Highway 17, thence along Illinois Highway 17 to the Indiana-Illinois State line, on the one hand, and, on the other, points in Maryland; (4) between points in that part of Illinois on, south, and east of a line beginning at the Illinois-Indiana State line, thence along U.S. Highway 50 to junction Illinois Highway 37, thence along Illinois Highway 37 to the Illinois-Kentucky State line, on the one hand, and, on the other, points in that part of Wisconsin on and east of a line beginning at the Illinois-Wisconsin State line, thence along Interstate Highway 94 to junction Wisconsin Highway 57, thence along Wisconsin Highway 57 to junction Wisconsin Highway 29, thence along Wisconsin Highway 29 to junction Wisconsin Highway 47, thence along Wisconsin Highway 47 to junction Wisconsin Highway 51, thence along Wisconsin Highway 51 to the Wisconsin-Michigan State line; and (5) between points in Richland and Lawrence Counties, Ill., on the one hand, and, on the other, points in that part of Wisconsin on, east, and north of the line beginning at the Wisconsin-Illinois State line, thence along Interstate Highway 94 to junction with Wisconsin Highway 89, thence along Wisconsin Highway 89 to junction U.S. Highway 16, thence along U.S. Highway 16 to the Wisconsin-Minnesota State line. The purpose of this filing is to eliminate the gateway of points in Greene, Lawrence, Monroe, and Orange Counties, Ind.

No. MC 78228 (Sub-No. E140), filed June 30, 1975. Applicant: J. MILLER EXPRESS, INC., 2310 Grant Building, Pittsburgh, Pa. 15219. Applicant's representative: Thomas M. Mulroy (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Non-clay refractories*, from points in New York on or west of a line beginning at the Lake Ontario, thence along U.S. Highway 15 to Lakeville, N.Y. thence along Alternate U.S. Highway 20 to Geneseo, N.Y., thence along New York Highway 63 to junction New York Highway 408, thence along New York Highway 408 to the junction of New York Highway 16, thence along New York Highway 16 to Olean, N.Y., thence

along New York Highway 16A to the New York-Pennsylvania State line to points in Indiana. The purpose of this filing is to eliminate the gateway of the facilities of the Universal Refractory Co. at Wampum, Pa.

No. MC 102616 (Sub-No. E95), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid chemicals*, in bulk, in tank vehicles, from Huntington, Ind. to points in Alabama, Arkansas, Florida, Kansas, Louisiana, Mississippi, Nebraska, Oklahoma, Texas (except Harris County), points in Colorado, New Mexico, and Wyoming which are on and east of U.S. Highway 85, points in Georgia on and south of U.S. Highway 80, and points in Tennessee on and west of U.S. Highway 231, restricted against resins, paint, and paint materials to points in the Dallas, Tex. Commercial zone. The purpose of this filing is to eliminate the gateway of Marshall, Ill., or points within 5 miles thereof.

No. MC 102616 (Sub-No. E96), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid chemicals*, in bulk, in tank vehicles, from Huntington, Ind., to points in Delaware, Maryland, New Jersey, New York, and points in Pennsylvania on and east of U.S. Highway 220. The purpose of this filing is to eliminate the gateway of points in Cuyahoga, Hamilton, Mahoning, Stark, Summit, or Trumbull Counties, and the plantsites of Aniline or Solvay Divisions of Allied Chemical Co. near Moundsville, W. Va.

No. MC 102616 (Sub-No. E97), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid chemicals*, in bulk, in tank vehicles, from Huntington, Ind., to points in Allegheny, Beaver, Butler, Cambria, Fayette, and McKean Counties, Pa., Cuyahoga, Summit, Stark, Mahoning, and Trumbull Counties, Ohio, and Brooke, Hampshire, Hancock, Kanawha, Marion, Marshall, Monongahela, Pleasants, and Wetzel Counties, W. Va. The purpose of this filing is to eliminate the gateway of points in Cuyahoga, Hamilton, Stark, Summit, Mahoning, or Trumbull Counties, Ohio.

No. MC 102616 (Sub-No. E98), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid*

chemicals, in bulk, in tank vehicles, from Huntington, Ind., to points in Iowa, Minnesota, and Wisconsin. The purpose of this filing is to eliminate the gateway of Chicago, Ill.

No. MC 102616 (Sub-No. E99), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid chemicals*, in bulk, in tank vehicles, from Huntington, Ind., to points in California, Idaho, Montana, Nevada, Oregon, Utah, Washington, and points in North Dakota and Wyoming which are west of U.S. Highway 85. The purpose of this filing is to eliminate the gateway of Ludington, Mich.

No. MC 102616 (Sub-No. E103), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, in bulk, in tank vehicles, from Madison, Ind., and points within 5 miles thereof and the terminal of LaGloria Oil & Gas Co. near Seymour, Ind., to points in Lawrence, Mercer, Crawford, Butler, Armstrong, Cambria, Clearfield, Fayette, Greene, Indiana, Jefferson, Somerset, Washington, and Westmoreland Counties, Pa. The purpose of this filing is to eliminate the gateway of Canton, Ohio.

No. MC 102616 (Sub-No. E104), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, in bulk, in tank vehicles, from Madison, Ind., and points within 5 miles thereof, and the terminal of LaGloria Oil & Gas Co. near Seymour, Ind., to points in Venango County, Pa. The purpose of this filing is to eliminate the gateway of Cleveland or Kent, Ohio.

No. MC 102616 (Sub-No. E107), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid petroleum products*, in bulk, in tank vehicles, from the terminal of LaGloria Oil & Gas Co. near Seymour, Ind., to points in Arkansas, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, Oklahoma, Vermont, Wisconsin, points in Alabama on and south of U.S. Highway 80, points in Florida on and south of Florida Highway 80, points in Colorado, New Mexico, Wyoming, North Dakota, and South Dakota on and east of U.S. Highway 85 and points in Texas (except Harris

County). The purpose of this filing is to eliminate the gateway of Marshall, Ill., or points within 5 miles thereof.

No. MC 102616 (Sub-No. E108), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid petrochemicals*, as defined by the Commission, in bulk, in tank vehicles, from Madison and Granger, Ind., to points in Maine. The purpose of this filing is to eliminate the gateway of Midland, Mich.

No. MC 102616 (Sub-No. E109), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid petrochemicals*, as defined by the Commission, in bulk, in tank vehicles, from Huntington, Ind., Madison, Ind., and points within 5 miles thereof, the terminal of Texas Eastern Transmission Corp. near Princeton, Ind., and the terminal of LaGloria Oil & Gas Co. near Seymour, Ind., to points in West Virginia on and north of U.S. Highway 50. The purpose of this filing is to eliminate the gateway of Canton, Ohio, or points within 10 miles thereof.

No. MC 102616 (Sub-No. E110), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid petrochemicals*, as defined by the Commission, in bulk, in tank vehicles, from Madison, Ind., and points within 5 miles thereof, the terminal of Texas Eastern Transmission Corp. near Princeton, Ind., and the terminal of LaGloria Oil & Gas Company near Seymour, Ind., to points in Allegheny, Beaver, Butler, Cambria, Fayette and McKean Counties, Pa. The purpose of this filing is to eliminate the gateway of points in Cuyahoga, Hamilton, Mahoning, Stark, Summit, or Trumbull Counties, Ohio.

No. MC 102616 (Sub-No. E111), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid petrochemicals*, as defined by the Commission, in bulk, in tank vehicles, from Granger, Ind., to points in Idaho, Montana, Nevada, Oregon, Utah, and points in Wyoming west of U.S. Highway 85. The purpose of this filing is to eliminate the gateway of Ludington, Mich.

No. MC 102616 (Sub-No. E112), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd.,

Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid petroleum products*, as defined by the Commission, in bulk, in tank vehicles, from Madison, Ind., to points in Arkansas, Iowa, Kansas, Louisiana, Maine, Minnesota, Mississippi, Missouri, Nebraska, Oklahoma, Wisconsin, Texas (except Harris County), points in Colorado, South Dakota, North Dakota, and Wyoming which are on and east of U.S. Highway 85, and points in Florida on and south of Florida Highway 80. The purpose of this filing is to eliminate the gateway of Marshall, Ill., or points within 5 miles thereof.

No. MC 102616 (Sub-No. E115), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle over irregular routes, transporting: *Dry plastics*, restricted to petroleum products, in bulk, in tank vehicles, from Princeton, Ind., and points within 5 miles thereof, to points in Minnesota and Nebraska. The purpose of this filing is to eliminate the gateway of the plantsite of Foster Grant Co. at Peru, Ill.

No. MC 102616 (Sub-No. E118), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, as defined by the Commission, in bulk, in tank vehicles, from Madison, Ind., and points within 5 miles thereof, to points in Connecticut, Delaware, Maryland, Massachusetts, Rhode Island, points in New Jersey on and south of a line beginning at the New Jersey-Pennsylvania State line and extending along U.S. Highway 22 to junction U.S. Highway 202, to the New Jersey-New York State line, the District of Columbia, and New York, N.Y. The purpose of this filing is to eliminate the gateway of points in Ohio on and north of U.S. Highway 40.

No. MC 102616 (Sub-No. E119), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, as defined by the Commission, in bulk, in tank vehicles, from the terminal of Texas Eastern Transmission Corp. near Princeton, Ind., and the terminal of the LaGloria Oil & Gas Co. near Seymour, Ind., to points in Connecticut, Delaware, Maryland, Massachusetts, Rhode Island, points in New Jersey on and south of a line beginning at the New Jersey-Pennsylvania State line and extending along U.S. Highway 22 to junction U.S. Highway 202 to the New Jersey-New York State line, the District of Columbia, and

New York, N.Y. The purpose of this filing is to eliminate the gateway of points in Ohio on and north of U.S. Highway 40.

No. MC 102616 (Sub-No. E121), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, as defined by the Commission, in bulk, in tank vehicles, from Madison, Ind., and points within 5 miles thereof, the terminal/plantsite of Texas Eastern Transmission Corp. near Princeton, Ind., and the terminal of LaGloria Oil & Gas Co. near Seymour, Ind., to points in West Virginia on and north of U.S. Highway 33. The purpose of this filing is to eliminate the gateway of Steubenville, Ohio, or points within 5 miles thereof.

No. MC 102616 (Sub-No. E122), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, as defined by the Commission, in bulk, in tank vehicles, from the terminal/plantsite of Texas Eastern Transmission Corp. near Princeton, Ind., to points in Lawrence, Mercer, Crawford, and Butler Counties, Pa. The purpose of this filing is to eliminate the gateway of Canton, Warren, or Youngstown, or points within 5 miles of each.

No. MC 102616 (Sub-No. E124), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, as defined by the Commission, in bulk, in tank vehicles, from Madison, Ind., and points within 5 miles thereof, to points in New York on and east of New York Highway 7. The purpose of this filing is to eliminate the gateway of points in Ohio on and north of U.S. Highway 40, and Paulsboro, N.J.

No. MC 102616 (Sub-No. E125), filed June 3, 1974. Applicant: COASTAL TANK LINES, INC., 215 E. Waterloo Rd., Akron, Ohio 44319. Applicant's representative: Fred H. Daly (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, as defined by the Commission, in bulk, in tank vehicles, from Madison, Ind., and points within 5 miles thereof, to points in Virginia on and north of U.S. Highway 60. The purpose of this filing is to eliminate the gateway of points in Ohio on and north of U.S. Highway 40.

No. MC 102817 (Sub-No. E2), filed May 12, 1974. Applicant: PERKINS FURNITURE TRANSPORT, INC., 5034 Lafayette Rd., Indianapolis, Ind. 46254. Applicant's representative: Robert W.

Loser II, 320 N. Meridian St., Indianapolis, Ind. 46204. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Uncrated store and office fixtures*, as described in Appendix III to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209, from points in Kentucky on and east of U.S. Highway 41, to points in Minnesota, North Dakota, South Dakota, and points in Wisconsin on, east and north of a line beginning at the Illinois-Wisconsin State line and extending along U.S. Highway 51 to junction U.S. Highway 14, thence along U.S. Highway 14 to the Wisconsin-Minnesota State line. The purpose of this filing is to eliminate the gateway of Indianapolis, Ind.

No. MC 102817 (Sub-No. E3), filed May 12, 1974. Applicant: PERKINS FURNITURE TRANSPORT, INC., 5034 Lafayette Rd., Indianapolis, Ind. 46254. Applicant's representative: Robert W. Loser II, 320 North Meridian St., Indianapolis, Ind. 46204. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Uncrated store and office fixtures*, as described in Appendix III to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209, from points in Kentucky, on, north, and east of a line beginning at the Indiana-Kentucky State line and extending along U.S. Highway 60 to junction U.S. Highway 27, thence along U.S. Highway 27 to the Kentucky-Tennessee State line, to points in Iowa and Nebraska. The purpose of this filing is to eliminate the gateway of Indianapolis, Ind.

No. MC 102817 (Sub-No. E4), filed May 12, 1974. Applicant: PERKINS FURNITURE TRANSPORT, INC., 5034 Lafayette Rd., Indianapolis, Ind. 46254. Applicant's representative: Robert W. Loser II, 320 North Meridian St., Indianapolis, Ind. 46204. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Uncrated store and office fixtures*, as described in Appendix III to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209, from points in Kentucky on and west of a Interstate Highway 65, to points in Delaware, New Jersey, New York, the District of Columbia, and points in Maryland on and east of U.S. Highway 220. The purpose of this filing is to eliminate the gateway of Indianapolis, Ind.

No. MC 102817 (Sub-No. E7), filed May 12, 1974. Applicant: PERKINS FURNITURE TRANSPORT, INC., 5034 Lafayette Rd., Indianapolis, Ind. 46254. Applicant's representative: Robert W. Loser II, 320 North Meridian St., Indianapolis, Ind. 46204. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New furniture and store and office fixtures*, crated, from points in Michigan, to points in Arkansas, Florida, and Georgia. The purpose of this filing is to eliminate the gateway of points in Indiana (except Delphi, Tell City, and

Milan, Ind. and points in their commercial zones as defined by the Commission).

No. MC 102817 (Sub-No. E8), filed May 12, 1974. Applicant: PERKINS FURNITURE TRANSPORT, INC., 5034 Lafayette Rd., Indianapolis, Ind. 46254. Applicant's representative: Robert W. Loser II, 320 North Meridian St., Indianapolis, Ind. 46204. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *New furniture and store and office fixtures*, crated, from points in Michigan on, west, and north of a line beginning at the Ohio-Michigan State line and extending along Michigan Highway 52 to junction U.S. Highway 12, thence along U.S. Highway 12 to junction U.S. Highway 23, thence along U.S. Highway 23 to junction Michigan Highway 59, thence along Michigan Highway 59 to junction U.S. Highway 24, thence along U.S. Highway 24 to junction Michigan Highway 21, thence along Michigan Highway 21 to junction Michigan Highway 53, thence along Michigan Highway 53 to Port Austin, Mich., to points in Massachusetts and Connecticut. The purpose of this filing is to eliminate the gateway of points in Indiana (except Delphi, Tell City, and Milan, Ind. and points in their commercial zones as defined by the Commission).

No. MC 113459 (Sub-No. E115), filed May 6, 1974. Applicant: H. J. JEFFRIES TRUCK LINE, INC., P.O. Box 94850, Oklahoma City, Okla. 73109. Applicant's representative: Robert Fisher (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) *Commodities*, the transportation of which, by reason of size or weight, require the use of special equipment, restricted against the transportation of agricultural machinery and agricultural tractors and (2) *self-propelled articles*, each weighing 15,000 pounds or more, and *related machinery, tools, parts and supplies*, when moving in connection therewith, restricted to commodities which are transported on trailers, between points in Iowa on and east of a line beginning at the Iowa-Minnesota State line and extending along U.S. Highway 52 to junction Iowa Highway 150, thence along Iowa Highway 150 to junction U.S. Highway 151, thence along U.S. Highway 151 to junction U.S. Highway 218, thence along U.S. Highway 218 to junction Interstate Highway 80, thence along Interstate Highway 80 to the Iowa-Illinois State line, on the one hand, and, on the other, points in Arkansas. The purpose of this filing is to eliminate the gateway of Sterling, Ill.

No. MC 113459 (Sub-No. E116), filed May 6, 1974. Applicant: H. J. JEFFRIES TRUCK LINE, INC., P.O. Box 94850, Oklahoma City, Okla. 73109. Applicant's representative: Robert Fisher (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) *Commodities*, the transportation of which, by reason of size or weight, require the use of special equipment, restricted against

the transportation of agricultural machinery and agricultural tractors and (2) *self-propelled articles*, each weighing 15,000 pounds or more, and *related machinery, tools, parts and supplies*, when moving in connection therewith, restricted to commodities which are transported on trailers, between points in Minnesota on and east of U.S. Highway 53, on the one hand, and, on the other, points on Oklahoma on and west of a line beginning at the Oklahoma-Kansas State line and extending along U.S. Highway 75 to junction U.S. Highway 66, thence along U.S. Highway 66 to junction Interstate Highway 35, thence along Interstate Highway 35 to junction U.S. Highway 62, thence along U.S. Highway 62 to junction U.S. Highway 183, thence along U.S. Highway 183 to junction U.S. Highway 281, thence along U.S. Highway 281 to the Oklahoma-Kansas State line. The purpose of this filing is to eliminate the gateway of Sterling, Ill.

No. MC 113459 (Sub-No. E123), filed May 6, 1974. Applicant: H. J. JEFFRIES TRUCK LINE, INC., P.O. Box 94850, Oklahoma City, Okla. 73109. Applicant's representative: Robert Fisher (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Metal tubing and pipe*, the transportation of which, by reason of size or weight, require the use of special equipment, between points in Kansas on and south of a line beginning at the Kansas-Colorado State line and extending along U.S. Highway 50 to junction U.S. Highway 77, thence along U.S. Highway 77 to the Kansas-Oklahoma State line, on the one hand, and, on the other, points in Kentucky. The purpose of this filing is to eliminate the gateway of Tulsa, Okla.

No. MC 113828 (Sub-No. E5), filed June 4, 1974. Applicant: O'BOYLE TANK LINES, INC., P.O. Box 30006, Washington, D.C. 20014. Applicant's representative: Michael A. Grimm (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) *Liquid and inert sugars and syrups and blends or mixtures of syrups and sugars*, from Montezuma, N.Y., to points in North Carolina, South Carolina, and Tennessee. (2) *Flavorings and coating syrups*, in bulk, in tank vehicles, from Montezuma, N.Y., to points in North Carolina, South Carolina, Tennessee, Florida, Georgia, and Alabama. The purpose of this filing is to eliminate the gateway of Baltimore, Md., Richmond, Va., in (1) above; and Jersey City, N.J. in (2) above.

No. MC 115311 (Sub-No. E5), filed May 13, 1974. Applicant: J & M TRANSPORTATION CO., INC., P.O. Box 488, Millidgeville, Ga. 30106. Applicant's representative: Paul M. Daniell, Suite 1600, First Federal Bldg., Atlanta, Ga. 30303. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Lumber*, rough and dressed (except plywood and veneer), from points in Florida on and west of the Suwannee River and points south of Pasco, Polk, Okeechobee, and Martin

Counties, Fla., to points in Orange, Wake, Nash, Wayne, and Johnston Counties, N.C. The purpose of this filing is to eliminate the gateway of Athens, Ga.

No. MC 115311 (Sub-No. E6), filed May 13, 1974. Applicant: J & M TRANSPORTATION CO., INC., P.O. Box 488, Millidgeville, Ga. 30106. Applicant's representative: Paul M. Daniell, Suite 1600, First Federal Bldg., Atlanta, Ga. 30303. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Lumber*, rough and dressed (except plywood and veneer), from points in South Carolina on and east of a line beginning at the Georgia-South Carolina State line and extending along Interstate Highway 85 to junction U.S. Highway 76, thence along U.S. Highway 76 to junction South Carolina Highway 34, thence along South Carolina Highway 34 to junction U.S. Highway 1, thence along U.S. Highway 1 to the North Carolina-South Carolina State line, to points in Tennessee on and east of a line beginning at the Tennessee-Georgia State line and extending along U.S. Highway 27 to the Tennessee-Kentucky State line and points in Tennessee on and west of a line beginning at the Tennessee-North Carolina State line and extending along U.S. Highway 25-70 to junction U.S. Highway 25E, thence along U.S. Highway 25E to the Tennessee-Virginia State line. The purpose of this filing is to eliminate the gateway of points in Georgia on, north, and east of a line beginning at Savannah, Ga., and extending along U.S. Highway 80 to Macon, Ga., thence along U.S. Highway 129 to Blairsville, Ga., and thence along Georgia Highway 11 to the Georgia-North Carolina State line.

No. MC 115311 (Sub-No. E7), filed May 13, 1974. Applicant: J & M TRANSPORTATION CO., INC., P.O. Box 488, Millidgeville, Ga. 30106. Applicant's representative: Paul M. Daniell, Suite 1600, First Federal Bldg., Atlanta, Ga. 30303. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Lumber*, rough and dressed (except plywood and veneer), from points in Tennessee on and east of a line beginning at the Tennessee-Georgia State line and extending along Tennessee Highway 60 to junction U.S. Highway 27, thence along U.S. Highway 27 to the Tennessee-Kentucky State line, to points in Florida.

The purpose of this filing is to eliminate the gateway of points in Georgia on, north, and east of a line beginning at Savannah, Ga., and extending along U.S. Highway 80 to Macon, Ga., thence along U.S. Highway 129 to Blairsville, Ga., and thence along Georgia Highway 11 to the Georgia-North Carolina State line.

No. MC 115311 (Sub-No. E8), filed May 13, 1974. Applicant: J & M TRANSPORTATION CO., INC., P.O. Box 488, Millidgeville, Ga. 30106. Applicant's representative: Paul M. Daniell, Suite 1600, First Federal Bldg., Atlanta, Ga. 30303. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Lumber*,

rough and dressed (except plywood and veneer), from points in Tennessee on and bounded by a line beginning at the Georgia-Tennessee State line and extending along U.S. Highway 27 to junction Tennessee Highway 60, thence south along Tennessee Highway 60 to the Georgia-Tennessee State line, thence west along the Georgia-Tennessee State line to the point of beginning, to points in Florida on and east of the Apalachicola River. The purpose of this filing is to eliminate the gateway of points in Georgia on, north, and east of a line beginning at Savannah, Ga., and extending along U.S. Highway 80 to Macon, Ga., thence along U.S. Highway 129 to Blairsville, Ga., and thence along Georgia Highway 11 to the Georgia-North Carolina State line.

No. MC 115311 (Sub-No. E9), filed May 13, 1974. Applicant: J & M TRANSPORTATION CO., INC., P.O. Box 488, Millidgeville, Ga. 30106. Applicant's representative: Paul M. Daniell, Suite 1600, First Federal Bldg., Atlanta, Ga. 30303. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber*, rough and dressed (except plywood and veneer), from points in Tennessee on and east of a line beginning at the Tennessee-Georgia State line and extending along U.S. Highway 27 to the Tennessee-Kentucky State line and points in Tennessee on and west of a line beginning at the Tennessee-North Carolina State line and extending along U.S. Highway 25-70 to junction U.S. Highway 25E, thence along U.S. Highway 25E to the Tennessee-Virginia State line, to points in South Carolina on and east of a line beginning at the Georgia-South Carolina State line and extending along Interstate Highway 85 to junction U.S. Highway 76, thence along U.S. Highway 76 to junction South Carolina Highway 34, thence along South Carolina Highway 34 to junction U.S. Highway 1, thence along U.S. Highway 1 to the North Carolina-South Carolina State line. The purpose of this filing is to eliminate the gateway of points in Georgia on, north, and east of a line beginning at Savannah, Ga., and extending along U.S. Highway 80 to Macon, Ga., thence along U.S. Highway 129 to Blairsville, Ga., and thence along Georgia Highway 11 to the Georgia-North Carolina State line.

No. MC 115311 (Sub-No. E10), filed May 13, 1974. Applicant: J & M TRANSPORTATION CO., INC., P.O. Box 488, Millidgeville, Ga. 30106. Applicant's representative: Paul M. Daniell, Suite 1600, First Federal Bldg., Atlanta, Ga. 30303. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber*, rough and dressed (except plywood and veneer), from points in Florida, to points in South Carolina. The purpose of this filing is to eliminate the gateway of points in Georgia on, north, and east of a line beginning at Savannah, Ga., and extending along U.S. Highway 80 to Ma-

con, Ga., thence along U.S. Highway 129 to Blairsville, Ga., and thence along Georgia Highway 11 to the Georgia-North Carolina State line.

No. MC 115311 (Sub-No. E11), filed May 13, 1974. Applicant: J & M TRANSPORTATION CO., INC., P.O. Box 488, Millidgeville, Ga. 30106. Applicant's representative: Paul M. Daniell, Suite 1600, First Federal Bldg., Atlanta, Ga. 30303. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber*, rough and dressed (except plywood and veneer), from points in South Carolina, to points in Florida. The purpose of this filing is to eliminate the gateway of points in Georgia on, north, and east of a line beginning at Savannah, Ga., and extending along U.S. Highway 80 to Macon, Ga., thence along U.S. Highway 129 to Blairsville, Ga., and thence along Georgia Highway 11 to the Georgia-North Carolina State line.

No. MC 119767 (Sub-No. E45), filed June 4, 1974. Applicant: BEAVER TRANSPORT CO., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: Henry Seaton, 915 Pennsylvania Building, 425 Thirteenth St., N.W., Washington, D.C. 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Prepared foodstuffs* (except dairy products, frozen fruit, frozen vegetables, frozen berries and commodities in bulk, in tank vehicles), from points in Minnesota on and north of U.S. Highway 2 to points in Missouri on and east of U.S. Highway 65 (except points in Mercer, Putnam, Sullivan, Grundy, Livingston, and Linn Counties). The purpose of this filing is to eliminate the gateway of points in Wisconsin on and west of U.S. Highway 51.

No. MC 119767 (Sub-No. E46), filed June 4, 1974. Applicant: BEAVER TRANSPORT CO., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: Henry E. Seaton, 915 Pennsylvania Building, 425 Thirteenth St., N.W., Washington, D.C. 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Canned foods*, and *materials, supplies, and equipment* used in the manufacture of canned food, from Beaver Dam, Wis., and points within 75 miles thereof, to St. Louis, Mo. The purpose of this filing is to eliminate the gateway of East St. Louis, Ill.

No. MC 119767 (Sub-No. E47), filed June 4, 1974. Applicant: BEAVER TRANSPORT CO., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: Henry Seaton, 915 Pennsylvania Building, 425 Thirteenth St., N.W., Washington, D.C. 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Canned food*, from points in Jo Daviess, Stephenson, Winnebago, Ogle, Carroll, Whiteside, and Lee Counties, Ill., to points in Kentucky on and east of Interstate Highway 65 (except Louisville and points in the Louisville

Commercial zone). The purpose of this filing is to eliminate the gateway of Burlington, Wis.

No. MC 119767 (Sub-No. E50), filed June 4, 1974. Applicant: BEAVER TRANSPORT CO., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: Henry Seaton, 915 Pennsylvania Building, 425 Thirteenth St., N.W., Washington, D.C. 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Canned foods*, and *materials, supplies, and equipment* used in the manufacture of canned food, from Beaver Dam, Wis., and points within 75 miles thereof, to points in Louisville, Ky. The purpose of this filing is to eliminate the gateway of New Albany, Ind.

No. MC 119767 (Sub-No. E51), filed June 4, 1974. Applicant: BEAVER TRANSPORT CO., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: Henry Seaton, 915 Pennsylvania Building, 425 Thirteenth St., N.W., Washington, D.C. 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Preserved foodstuffs*, from Delphos and Van Wert, Ohio, to points in Wisconsin on, west, and north of a line beginning at the Illinois-Wisconsin State line and extending along Wisconsin Highway 80 to junction U.S. Highway 10, thence along U.S. Highway 10 to Lake Michigan. The purpose of this filing is to eliminate the gateway of Hoopeston, Ill.

No. MC 119767 (Sub-No. E52), filed June 4, 1974. Applicant: BEAVER TRANSPORT CO., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: Henry Seaton, 915 Pennsylvania Building, 425 Thirteenth St., N.W., Washington, D.C. 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Canned foods*, and *prepared foods* which are used in the manufacture of canned foods, from Beaver Dam, Wis., and points within 75 miles thereof, to Cincinnati, Ohio. The purpose of this filing is to eliminate the gateway of Munster, Ind.

No. MC 119767 (Sub-No. E53), filed June 4, 1974. Applicant: BEAVER TRANSPORT CO., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: Henry Seaton, 915 Pennsylvania Building, 425 Thirteenth St., N.W., Washington, D.C. 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Canned food* (except dairy products, frozen fruit, frozen vegetables, frozen berries, and commodities in bulk, in tank vehicles), from points in Minnesota (except Rock, Nobles, and Jackson Counties), to points in Bollinger, Cape Girardeau, Wayne, Butler, Stoddard, Scott, Mississippi, New Madrid, Dunklin, and Pemiscot Counties, Mo. The purpose of this filing is to eliminate the gateways of Beaver Dam, Wis., and points within 75 miles thereof (except Brookfield, Cudahy, Darien, Waukesha, Kenos-

sha, Waupaca, Hilbert, Kaukauna, Mayville, and Watertown, Wis.).

By the Commission.

ROBERT L. OSWALD,
Secretary.

[FR Doc. 76-30834 Filed 10-19-76; 8:45 am]

[Notice No. 138]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

OCTOBER 15, 1976.

The following are notices of filing of applications for temporary authority under Section 210(a) of the Interstate Commerce Act provided for under the provisions of 49 CFR 1131.3. These rules provide that an original and six (6) copies of protests to an application may be filed with the field official named in the FEDERAL REGISTER publication no later than November 4, 1976. One copy of the protest must be served on the applicant, or its authorized representative, if any, and the protestant must certify that such service has been made. The protest must identify the operating authority upon which it is predicated, specifying the "MC" docket and "Sub" number and quoting the particular portion of authority upon which it relies. Also, the protestant shall specify the service it can and will provide and the amount and type of equipment it will make available for use in connection with the service contemplated by the TA application. The weight accorded a protest shall be governed by the completeness and pertinence of the protestant's information. Except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application. A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the ICC Field Office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 16872 (Sub-No. 15TA), filed October 12, 1976. Applicant: WILLIAM MIRREER, doing business as MIRREER'S TRUCKING CO., 100 East 25th St., Paterson, N.J. 07524. Applicant's representative: George A. Olsen, 69 Tonnele Ave., Jersey City, N.J. 07306. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Plastic granules (except in bulk), from the facilities of Rexene Polyolefins Company, a division of Dart Industries, Inc., Chemical Group, at Holyoke, Springfield, and Ludlow, Mass., to Chicago and Joliet, Ill.; New York, N.Y.; Paterson, N.J.; Syosset, N.Y., from the facilities of Rexene Polyolefins Company a division of Dart Industries, Inc., Chemical Group, at Chicago and Joliet, Ill. to Paterson, Plainfield and Elizabeth, N.J., and New York, N.Y., restricted to shipments having origin at the above-named points and having destination at the above-named points, for 180 days. Sup-

porting shipper: Rexene Polyolefins Company, a division of Dart Industries, Inc., Chemical Group, W. 115 Century Road, Paramus, N.J. 07652. Send protests to: Julia M. Papp, Transportation Assistant, Interstate Commerce Commission, 9 Clinton St., Newark, N.J. 07102.

No. MC 82841 (Sub-No. 197TA), filed October 7, 1976. Applicant: HUNT TRANSPORTATION, INC., 10770 I St., Omaha, Nebr. 68127. Applicant's representative: William E. Christensen (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Pipe, pipe fittings, and couplings, connectors and accessories for pipe (except iron and steel pipe), from the plant-site of Armco Steel Corporation, at or near Springfield, Ill., to points in Iowa, Kansas, and Nebraska, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Kenneth E. Brewer, Assistant Manager, Transportation, Western Area, Armco Steel Corporation, 7000 Roberts St., Kansas City, Mo. 64125. Send protests to: Carroll Russell, District Supervisor, Interstate Commerce Commission, Suite 620, 110 N. 14th St., Omaha, Nebr. 68102.

No. MC 59120 (Sub-No. 40 TA), filed October 5, 1976. Applicant: EAZOR EXPRESS, INC., Eazor Square, Pittsburgh, Pa. 15201. Applicant's representative: John A. Vuono, 2310 Grant Bldg., Pittsburgh, Pa. 15219. Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), serving points in West Virginia, points in Virginia on and west of a line beginning at the West Virginia-Virginia State line and extending along Interstate Highway 64 to junction U.S. Highway 220, and thence along U.S. Highway 220 to the Virginia-North Carolina State line, and points in Kentucky on and east of Interstate Highway 75, as off-route points in connection with carrier's presently authorized regular-route operations. Applicant intends to tack its existing authority with MC 59120, applicant also intends to interline at all common service points in its territory as at present, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shippers: There are approximately 148 statements of support attached to the application, which may be examined at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: John J. England, District Supervisor, Interstate Commerce Commission, 2111 Federal Bldg., 1000 Liberty Ave., Pittsburgh, Pa. 15222.

No. MC 107515 (Sub-No. 1030TA), filed October 8, 1976. Applicant: RE-

FRIGERATED TRANSPORT CO., INC., P.O. Box 308, 3901 Jonesboro Road, Forest Park, Ga. 30050. Applicant's representative: Alan E. Serby, Suite 375, 3379 Peachtree Road, N.E., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen doughnuts, in vehicles equipped with mechanical refrigeration, from the plantsite and facilities of Thornton's Bakery, Memphis, Tenn., to points in Minnesota, Wisconsin, Kentucky, Ohio, West Virginia and Urbana and Champaign, Ill., for 180 days. Supporting shipper: Thornton Bakery, Inc., 2229 Lamar Ave., Memphis, Tenn. 38114. Send protests to: William L. Scroggs, District Supervisor, Interstate Commerce Commission, 1252 W. Peachtree St., Room 546, Atlanta, Ga. 30309.

No. MC 115162 (Sub-No. 338TA), filed October 8, 1976. Applicant: POOLE TRUCK LINE, INC., P.O. Drawer 500, Evergreen, Ala. 36401. Applicant's representative: Robert E. Tate (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Particleboard, plywood and/or lumber, in straight or mixed truckloads, from the plantsite of MacMillan Bloedel, Inc., at or near Pine Hill (Wilcox County), Ala., to points in Kansas, Oklahoma, and Texas, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: MacMillan Bloedel, Inc., 12th Floor, Brown-Marx Bldg., Birmingham, Ala. 35203. Send protests to: Clifford W. White, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 1616, 2121 Bldg., Birmingham, Ala. 35203.

No. MC 125433 (Sub-No. 86TA), filed October 8, 1976. Applicant: F-B TRUCK LINE COMPANY, 1945 South Redwood Road, Salt Lake City, Utah 84104. Applicant's representative: William G. Kos (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Fireplaces and dampers, gas and charcoal barbecue units, and parts, accessories, equipment, materials and supplies used in connection with the distribution, installation or utilization of the above described commodities, from the plantsite of Whittier Steel and Manufacturing, Inc., located at or near Santa Fe Springs, Calif., to points in Arizona, Arkansas, Colorado, Idaho, Iowa, Kansas, Kentucky, Louisiana, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah and Wisconsin, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Whittier Steel and Manufacturing, Inc., 10725 S. Painter, Santa Fe Springs, Calif. 90670. Send protests to: Lyle D. Helfer, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 5301 Federal Bldg., 125 S. State St., Salt Lake City, Utah 84138.

No. MC 135936 (Sub-No. 16TA), filed October 7, 1976. Applicant: C & K

TRANSPORT, INC., 503 Des Moines St., P.O. Box 205, Webster City, Iowa 50595. Applicant's representative: Thomas E. Leahy, Jr., 1980 Financial Center, Des Moines, Iowa 50309. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat by-products and articles distributed by meat packinghouses* as described in Sections A and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates* 61, M.C.C. 209 and 766 (except hides and commodities in bulk), from the plantsites and storage facilities of Spencer Foods, Inc., at Spencer and Hartley, Iowa and Schuyler, Nebr., to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, Pennsylvania, Rhode Island, Vermont, Washington, D.C., New Hampshire, New Jersey and New York, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Spencer Foods, P.O. Box 1228, Spencer, Iowa 51301. Send protests to: Herbert W. Allen, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 518 Federal Bldg., Des Moines, Iowa 50309.

No. MC 139923 (Sub-No. 25TA), filed October 7, 1976. Applicant: MILLER TRUCKING COMPANY, INC., 105 S. 8th St., Stroud, Okla. 74097. Applicant's representative: Wilburn Williamson, 280 National Foundation Life Bldg., 3535 N.W. 58th St., Oklahoma City, Okla. 73112. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Glass containers* from the plantsite and storage facilities of Midland Glass Company, Inc., located at or near Cliffwood, N.J., to Fort Worth, Tex., restricted to shipments originating at Midland Glass Company, facilities at or near Cliffwood, N.J., for 180 days. Supporting shipper: Midland Glass Company, P.O. Box 557, Cliffwood, N.J. 07721. Send protests to: Joe Green, District Supervisor, Room 240, Old Post Office Bldg., 215 N.W. Third St., Oklahoma City, Okla. 73102.

No. MC 140405 (Sub-No. 3TA), filed October 8, 1976. Applicant: FLORIDA CRATING & PACKING, INC., 1511 E. 11th Ave., Hialeah, Fla. 33010. Applicant's representative: Richard B. Austin, Palm Coast II Bldg., Suite 214, Miami, Fla. 33178. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except Classes A and B explosives, household goods, articles of unusual value, articles in bulk and articles which are injurious to other loadings), between points in Dade County, Fla., on and north of Kendall Drive (SR 94) and on and east of Krome Ave. (SR 27) and south of the Broward County line to the Atlantic Ocean on the east, on the one hand, and, on the Port of Miami and Port Everglades on the other, restricted to traffic having a prior or subsequent movement by water in interstate or foreign commerce, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating au-

thority. Supporting shippers: Transcon Intl. Corporation, 4471 N.W. 36th St., Room 239, Miami Springs, Fla. 33166. Cargo International Freight Serv. Corp., 2215 N.W. 70th Ave., Miami, Fla. 33122. Marco Technology Corporation, 1800 W. 49th St., Suite 221, Hialeah, Fla. 33012. McIntosh & Company, 2205 N.W. 70th Ave., Miami, Fla. 33122. Send protests to: Joseph B. Teichert, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Monterey Bldg., Suite 101, 8410 N.W. 53rd Terrace, Miami, Fla. 33166.

No. MC 142504 TA, filed October 6, 1976. Applicant: JACK T. MOORHEAD doing business as JACI MOORHEAD TRUCKING, Niagara Road, Pleasant Valley, N.Y. 12569. Applicant's representative: Neil D. Breslin, 99 Washington Ave., Suite 1111, Albany, N.Y. 12210. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber*, from the City of Poughkeepsie, N.Y., to points in Massachusetts, Connecticut, Vermont, Pennsylvania, New Jersey and Rhode Island, for 180 days. Supporting shipper: A. C. Dutton Lumber Corp., Foot of Hoffman St., Poughkeepsie, N.Y. 12601. Send protests to: Robert A. Radler, District Supervisor, P.O. Box 1167, Albany, N.Y. 12201.

No. MC 142505 TA, filed October 8, 1976. Applicant: GILBERT BOYER, R.D. No. 1, Box 140M, Absecon, N.J. 08201. Applicant's representative: L. Anthony Gibson, Box 296, Linwood, N.J. 08221. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Plastic flower pots*, from Somerdale, N.J., to Miami, Fla., under a continuing contract with Raycon Plastics, Inc., for 180 days. Supporting shipper: Raycon Plastics, Inc., 700 Grace St., Somerdale, N.J. 08083. Send protests to: Dieter H. Harper, District Supervisor, Interstate Commerce Commission, 428 East State St., Room 204, Trenton, N.J. 08608.

No. MC 142506 TA, filed October 7, 1976. Applicant: MCKEOWN FEED & SUPPLY COMPANY, INC., P.O. Box 373, Chester, S.C. 29706. Applicant's representative: George W. Clapp, 109 Harts-ville St., P.O. Box 836, Taylors, S.C. 29687. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer materials*, in bulk, in dump vehicles and killebrew-type vehicles, (1) from Chester, S.C., and points in its Commercial Zone, to points in North Carolina; and (2) from Goldsboro, N.C., and points in Iredell County, N.C., to points in South Carolina, for 180 days. Supporting shipper: W. R. Grace & Co., Agricultural Chemicals Group, P.O. Box 630, Wilmington, N.C. 28401. Send protests to: E. E. Trrotheid, District Supervisor, Interstate Commerce Commission, 1400 Bldg., Room 302, 1400 Pickens St., Columbia, S.C. 29201.

No. MC 142507 TA, filed October 8, 1976. Applicant: FEDERAL REFRIG-ERATED TRANSFER, INC., 1301 N.W.

89th Court, Miami, Fla. 33172. Applicant's representative: John P. Bond, 2766 Douglas Road, Miami, Fla. 33133. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* restricted against the transportation of said commodities in bulk, Classes A and B explosives, household goods, livestock, commodities requiring special handling and special equipment, between points in Dade County, Fla., all shipments having a prior or subsequent movement by water, for 180 days. Supporting shippers: There are approximately 13 statements of support attached to the application, which may be examined at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: Joseph B. Teichert, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Monterey Bldg., Suite 101, 8410 N.W. 53rd Terrace, Miami, Fla. 33166.

No. MC 142508 TA, filed October 7, 1976. Applicant: NATIONAL TRANSPORTATION, INC., P.O. Box 37465, Omaha, Nebr. 68137. Applicant's representative: Joseph Winter, 33 N. LaSalle St., Chicago, Ill. 60602. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat by-products and articles distributed by meat packinghouses* as described in Sections A and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates* 61, M.C.C. 209 and 766 (except hides and commodities in bulk), from the plantsite and facilities of Morgan Colorado Beef Company, at Ft. Morgan, Colo., to Chicago, Ill.; Detroit, Mich.; Salem and Cleveland, Ohio; New York, Schenectady and Rochester, N.Y.; Louisville, Ky.; Claremont, N.H.; Newark, N.J.; and Portsmouth, Maine and their commercial zones, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Richard Waters, Sales Manager, Morgan Colorado Beef Company, P.O. Box 487, Ft. Morgan, Colo. 80701. Send protests to: Carroll Russell, District Supervisor, Interstate Commerce Commission, Suite 620, 110 N. 14th St., Omaha, Nebr. 68102.

PASSENGER APPLICATION

No. MC 118552 (Sub-No. 2TA), filed October 6, 1976. Applicant: PIEDMONT COACH LINES, INC., 4537 Circle Drive, P.O. Box N-72, Winston-Salem, N.C. 27105. Applicant's representative: Kyle Hayes, Hayes Building, 309 Ninth St., North Wilkesboro, N.C. 28659. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *Passengers and their baggage, and express and newspapers*, in the same vehicle with passengers; and passengers and their baggage in round-trip charter operations, and in special operations, in round trip sight seeing and pleasure tours between North Wilkesboro, N.C., and Boone, N.C. over U.S. Highway 421-A to its junction with North Carolina

Highway 16; thence over Highway 16 to Millers Creek, N.C., thence over Wilkes County Road No. 1304 to its junction with U.S. Highway 421 through Deep Gap to Boone, N.C., and return over the same routes. For charter rights, and special operations, in all of Watauga, Wilkes, Yadkin, Forsyth, Stokes and Surry Counties in North Carolina, and Patrick County, Va. (and extending to all points in the United States except Alaska and Hawaii), for 180 days. Supporting shipper(s): There are approximately four statements of support attached to the application which may be examined at the Interstate Commerce Commission in Washington, D.C., or copies thereof, which may be examined at the field office named below. Send protests to: District Supervisor Price, Interstate Commerce Commission, 800 Briar Creek Rd., Mart Office Bldg., Suite CC-516, Charlotte, N.C. 28205.

WATER CARRIER APPLICATION

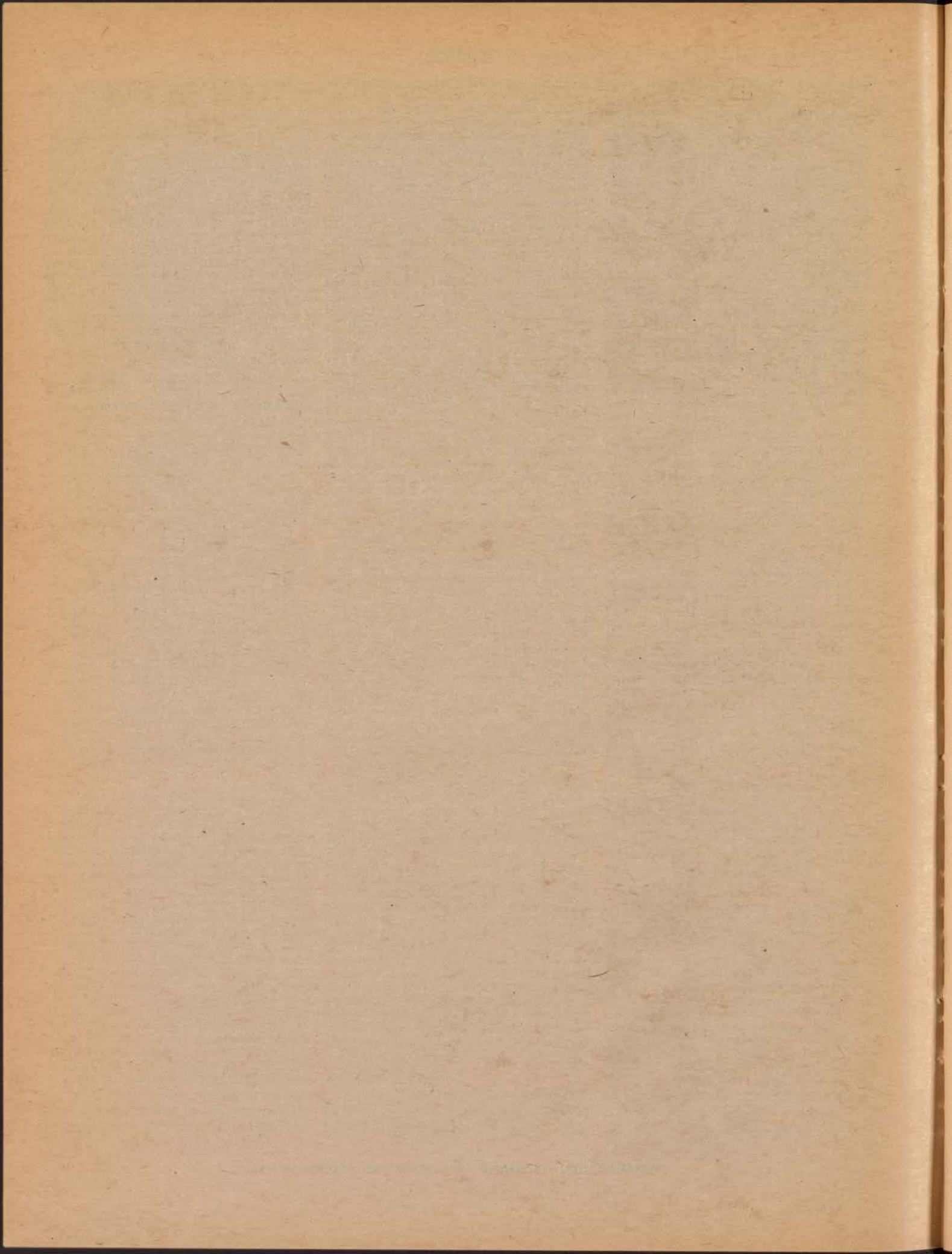
No. W-1310TA (Correction), filed August 11, 1976, published in the FEDERAL REGISTER issue of August 18, 1976, and republished as corrected this issue. Carrier: RIVER EXCURSIONS, INC., 704 South 3rd St., Stillwater, Minn. 55082. Carrier's representative: Andrew R. Clark, 1000 1st National Bank Bldg., Minneapolis, Minn. 55402. By order entered September 1, 1976, the Motor Carrier Board granted River Excursions, Inc., Stillwater, Minn., 180 day temporary authority to engage in the business of transportation by water vessel, in interstate commerce, in the transportation of: *Passengers and their baggage*, over inland waterways in special and charter operations, (1) between St. Paul, Minn. and Winona, Minn., (2) beginning and ending at Redwing, Minn., and extending to Prescott, Wis., and (3) beginning and ending at Winona, Minn., and extending to points on the Missis-

sippi river within 25 miles of Winona, Minn. All service will be conducted on the Mississippi and St. Croix rivers in parts 1, 2, and 3 above. Supporting shippers: Barron County Senior Citizens, Barron, Wis., Statemen's Club, Minneapolis, Minn., and Consolidated Tours, Inc., St. Paul, Minn. Any interested person may file a petition for reconsideration with the Secretary, Interstate Commerce Commission, Washington, D.C., on or before November 9, 1976. Within 20 days after the filing of such petition with the Commission, any interested person may file and serve a reply thereto. The purpose of this republication is to indicate that any interested person may file a petition for reconsideration with the Interstate Commerce Commission, Washington, D.C., rather than a protest.

By the Commission.

ROBERT L. OSWALD,
Secretary.

[FR Doc.76-30833 Filed 10-1976;8:45 am]



federal register

WEDNESDAY, OCTOBER 20, 1976



PART II:

DEPARTMENT OF TRANSPORTATION

**Urban Mass Transit
Administration**



PARATRANSIT SERVICES

Proposed Policy

DEPARTMENT OF TRANSPORTATION

Urban Mass Transportation Administration

[UMTA Docket No. 76-05]

PARATRANSIT SERVICES

Proposed Policy

The purpose of this Notice is to issue for review and comment a statement of policy of the Urban Mass Transportation Administration with respect to paratransit.

The Urban Mass Transportation Act of 1964, as amended, declared it to be in the national interest to encourage and promote the development of transportation systems embracing various modes of transport, both public and private. In support of this objective, the Urban Mass Transportation Administration declared flexible, collective paratransit services eligible for Federal capital and operating assistance under the formula grant (section 5) program (40 FR 2535, issued January 13, 1975).

The subsequent growth of interest in paratransit has made it desirable for UMTA to clarify its position on the potential role of this family of transportation services and on their implications for the administration of the Federal mass transportation assistance program.

The Urban Mass Transportation Administration invites comments on the proposed policy from all interested parties. Comments should be directed to UMTA's Office of Policy and Program Development, Room 9316, 400 Seventh Street, SW., Washington D.C. 20590. All written communications received on or before November 30, 1976, will be considered in the preparation of the final Statement of Policy.

Issued in Washington, D.C., on October 15, 1976.

ROBERT E. PATRICELLI,
Urban Mass Transportation
Administrator.

POLICY ON PARATRANSIT

The strength of our transportation system lies in its diversity, with each mode contributing its unique and inherent advantages and responding to different consumer demands at various levels of cost and quality of service. It is the policy of the Department of Transportation to preserve and encourage this diversity by promoting competitive opportunity for all forms of transportation, both public and private; and to encourage cooperation, connectivity and integration among different modes and types of service.

Paratransit—flexible, collective transportation services, operated publicly or privately and using small or intermediate-sized vehicles—has an important role to play in such a unified transportation system. Its various forms, when properly designed and implemented as part of a coordinated areawide transportation plan, can satisfy a wide range of local transportation needs that would otherwise remain unmet or provided for less effectively. In rural America, in small

towns and in suburban communities where population densities are low and travel patterns diffuse, paratransit will often be the most economical form of local public transportation. In many communities, large and small, paratransit can offer the best means of serving the needs of elderly, young and handicapped persons, and those who do not own cars and have no convenient access to regular public transportation.

The effectiveness and efficiency of a total transportation system can be increased by coordinating paratransit with conventional transit. In lower and medium density areas where the automobile is the only access mode to regular transit service, paratransit can provide pre-arranged collection-distribution service to fixed-route line haul systems, thereby extending the reach of public transportation into low density residential areas that would otherwise remain unserved. If demand increases, paratransit services can be progressively replaced by conventional fixed-route services. Thus, paratransit can serve as a vanguard for regular transit, opening up new market territory and building up the transit habit at a cost affordable to the community.

Paratransit can also supplement conventional fixed-route service by providing higher quality service to those who desire and are willing to pay for it. The combined effects of a high level of automobile availability, increased affluence and more dispersed travel patterns have estranged many people from conventional transit. Flexible, personalized paratransit services offer a chance of persuading the transit independents to abandon their total reliance on the private automobile and to become users of public transportation for local, short-distance trips.

Finally, paratransit, in the form of voluntary, cooperative ride-sharing arrangements, can enable people living in outlying portions of metropolitan areas with no convenient access to regular transit service to cease their dependency on the private automobile for the trip to work, and to contribute to the goal of relieving congestion and conserving energy.

In sum, transit and paratransit complement each other and can be made to work in a productive partnership to the advantage of both modes. In some cases this partnership can take the form of cooperative arrangements between private and public operators, each serving a different segment of the market. In other cases, a public transit authority can serve as a broker, contracting with different private and public operators to provide the most economical and convenient service to fit the market needs of a particular segment of the community. The important point is that our metropolitan areas, with their varied forms, densities and travel patterns, require a mix of conventional and flexible transit services to serve different market needs. An effective metropolitan transportation system should take the form of a cooperative partnership of paratransit and regular transit modes, with

closely coordinated services and with the possibility of varied ownership of its different components. Such a system offers promise of the greatest overall operating efficiency and effectiveness by exploiting the inherent advantages of each mode and providing a range of differentiated service options that respond to varying consumer demands and different local needs and budgets.

PLANNING FOR PARATRANSIT SERVICES

UMTA encourages urban areas to consider paratransit services whenever such services offer promise of a more effective, efficient and economical way of providing needed public transportation service. Examples of circumstances for which paratransit service could be appropriate are local circulation in low density areas, transportation of elderly and handicapped persons, substitute late night and weekend transit service in central cities, feeder/distribution service to line haul operations in low density neighborhoods, and cooperative ride-sharing arrangements for the home-to-work trip.

Consideration of paratransit services is encouraged in the development of Transportation System Management (TSM) plans, Transit Development Programs in non-urbanized areas, and plan elements developed pursuant to UMTA regulations concerning Transportation for Elderly and Handicapped Persons (49 CFR 613). UMTA will seek to ensure, as part of the annual review of the Transportation Improvement Program (TIP), that the use of paratransit services has been adequately considered in the development of the TSM plan and the plan element intended to meet the transportation needs of elderly and handicapped persons (49 CFR 613), and that those paratransit services that have been included in the TSM plan are programmed for implementation. At the same time, the intent and spirit underlying the Federal program of mass transportation assistance is to leave to localities the widest possible discretion and flexibility in deciding upon the nature and mix of their transportation system. UMTA, therefore, will abide by the local judgment as to the choice of modes and mix of services to be included in the local plan and program.

Sections 3(e) and 4(a) of the Urban Mass Transportation Act of 1964, as amended (hereinafter "the Act") encourage maximum feasible participation of private enterprise in carrying out the local urban transportation program. Pursuant to this policy, UMTA will seek to ensure, as part of the annual review of the Transportation Improvement Program (TIP), that local taxi operators and other private transportation providers have been afforded a fair and timely opportunity to participate in the development of local transportation plans and programs and to recommend the inclusion of private paratransit services (including special services for elderly and handicapped persons) in the Transportation System Management (TSM) plan and in the annual element of the Transportation Improvement Program (TIP).

Outmoded local laws, regulations and ordinances often constitute a barrier to paratransit implementation. Local and State agencies are encouraged to review existing laws, regulations and ordinances pertaining to paratransit operation, and eliminate or revise obsolete requirements or prohibitions that constrain or inhibit the introduction of paratransit services.

The proliferation of different social service agencies providing independent and uncoordinated special transportation services often constitutes an unnecessary duplication in equipment, facilities or labor, and represents a potential waste of public funds. State and local governments are urged to ensure maximum possible coordination in the delivery of such special transportation services, including offering existing operators a first opportunity to deliver the needed service with the funds available. UMTA, for its part, will attempt to facilitate such coordination through close cooperation with other Federal agencies.

PROTECTION OF EXISTING PRIVATE OPERATORS

Provision of paratransit service will often be carried out most efficiently and effectively by private transportation companies. It is in the public interest not to foreclose private operators from engaging in the provision of paratransit service where such private operators are willing and able to provide this service. Pursuant to this policy and to Sections 3(e) and 4(a) of the Act, UMTA will not provide financial assistance to any publicly-owned mass transportation company or private non-profit organization for the purpose of operating paratransit services in competition with paratransit services proposed or already being provided by an existing local taxi operator or other private transportation provider, unless it finds that the officially-developed local transportation program provides to the maximum extent feasible for the participation of private transportation companies (whether or not such companies are providing at the time mass transportation services).

A local transportation program will be found to provide for maximum feasible participation of private transportation

companies if it offers local taxi operators and other private transportation providers full opportunity to bid for the provision of any new paratransit services that might be proposed by public bodies for the implementation with the assistance of UMTA funds; and if it provides for the selection of the service provider competitively, on the basis of the highest efficiency and effectiveness, and least cost.

Compliance with the above policy of protection of private enterprise in the delivery of paratransit services will be ensured by UMTA through the annual review of the Transportation Improvement Program (TIP). Regulations are also being developed which will implement the general statutory requirement that maximum feasible participation be accorded to private enterprise in implementing an urban transportation program, going beyond the area of paratransit service.

ELIGIBILITY FOR FEDERAL FINANCIAL ASSISTANCE

Federal funds available pursuant to Sections 3 and 5 of the Act may be used to assist in the provision of paratransit services by publicly or privately owned transportation companies. Such funds may be used for the acquisition of equipment and for the payment of operating expenses (including depreciation on capital equipment) involved in the delivery of paratransit services. Any financial assistance to privately owned companies must, under the Act, be provided through a contractual arrangement with a public body or agency thereof or with a private non-profit organization.

To be eligible for such Federal financial assistance, a paratransit service must be included in the annual element of the local Transportation Improvement Program (TIP), or in a Transit Development Program (TDP) in the case of non-urbanized areas.

Paratransit services which may qualify for Federal financial assistance include dial-a-ride, jitney, community minibus, subscription bus service, certain forms of vanpooling and other types of collec-

tive (shared-ride) transportation services which are regularly available to the public, i.e. which cannot be reserved for the private and exclusive use of individual passengers.

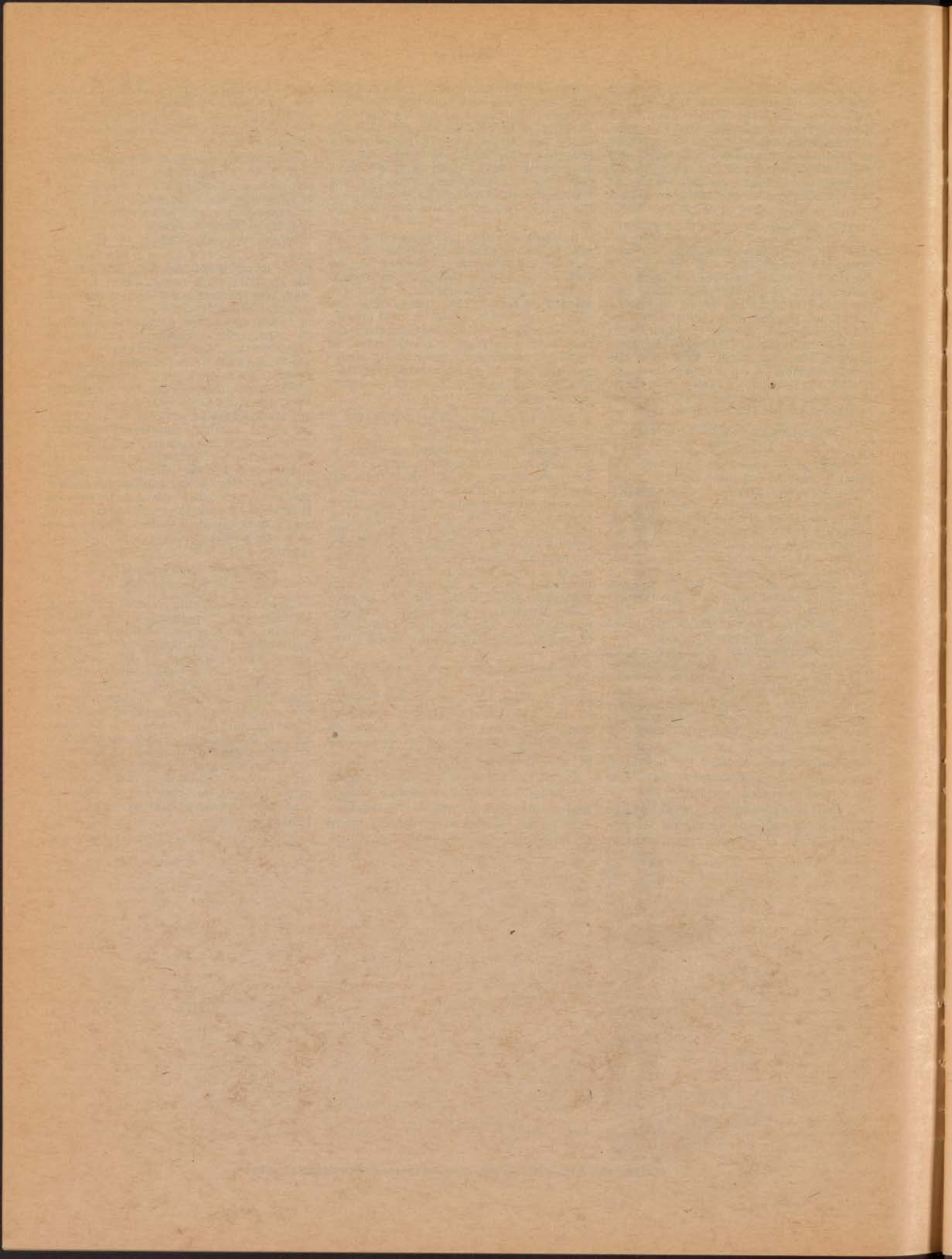
Services which are not eligible for Federal financial assistance include exclusive-ride taxi services, car rental services, for-hire limousines and private ambulance service, and other similar forms of private transportation.

Where an organization is providing paratransit service as an incidental adjunct to its main business, UMTA will not consider such organization to be a mass transportation company within the meaning of Section 3(e) of the Act, or a mass transportation company or system with employees entitled to protection under Section 13(c). For example, a non-profit senior citizens center receiving capital assistance directly or through a public body under Section 3 or Section 16 of the Act for the purpose of providing transportation services to and from the center, would be considered by UMTA as not within the meaning of Sections 3(e) and 13(c). Similarly, a private taxi operator providing shared-ride paratransit services or contract services to a public transit authority, e.g. to provide special transportation services for elderly and handicapped persons, could be held to be providing such services on an incidental basis to its main business.

RESEARCH, DEVELOPMENT AND EXPERIMENTATION

To assist in making paratransit a more viable option for urban areas, UMTA maintains an active paratransit research, development and demonstration program. The objectives of this program are: (1) to investigate the potential of combining flexibly routed and fixed-route services in regional coverage systems integrating paratransit and conventional transit modes; (2) to develop and demonstrate viable institutional arrangements to support paratransit; (3) to develop and test improved vehicles and support technology for the delivery of paratransit services; and (4) to demonstrate innovative applications of paratransit services.

[FR Doc.76-30740 Filed 10-19-76;8:45 am]



federal register

WEDNESDAY, OCTOBER 20, 1976



PART III:

FEDERAL ELECTION COMMISSION

■

ADVISORY OPINIONS

Modification

FEDERAL ELECTION COMMISSION

[Notice 1976-58]

ADVISORY OPINIONS

Modification

Section 108(b) of Public Law 94-283 ("the 1976 Amendments") which amended the Federal Election Campaign Act of 1972, as amended ("the Act") requires the Commission to conform all advisory opinions issued before the date of the 1976 Amendments to the requirements of § 312(a) of the Act (2 U.S.C. § 4371(a)).

The following is a listing of those advisory opinions issued prior to May 11, 1976 which the Commission considers as requiring modification as a result of the Supreme Court's decision in *Buckley v. Valeo*, 424 U.S. 1 (1976) and the enactment of the 1976 Amendments. No attempt has been made to summarize the facts or circumstances involved in each opinion. Rather, the conclusion of the opinion should be deemed as modified to reflect the point of law set out in the summary. In addition, the Commission urges that all interested parties consult the Commission's proposed regulations (41 FR 35932 (August 25, 1976)) and advisory opinions issued since May 11, 1976, since neither those proposals nor the post-May 11 opinions are reflected in this listing.

Dated: October 15, 1976.

VERNON W. THOMSON,
Chairman for the
Federal Election Commission.

ADVISORY OPINIONS MODIFIED BY 1976 AMENDMENTS

AO 1975-2 (40 FR 36092 August 18, 1975)

Although the costs incurred in making any communication by any membership organization to its members (if such membership organization is not organized primarily for the purpose of influencing a Federal election) continue to be exempt from the definition of contribution, such costs which are directly attributable to a communication expressly advocating the election or defeat of a clearly identified candidate (other than a communication primarily devoted to subjects other than the express advocacy of the election or defeat of a clearly identified candidate) shall, if those costs exceed \$2,000 per election, be reported to the Commission.

AO 1975-3 (40 FR 36092 August 18, 1975)

Tabulating response to House candidate's questionnaire by computer no longer subject to expenditure limits.

AO 1975-6 (40 FR 31315, July 25, 1975)

Any candidate may retire campaign debts incurred in connection with elections held before January 1, 1975, from personal funds, without limitation.

AO 1975-7 (40 FR 40673 September 3, 1975)

Expenditures made from Congressional office accounts are no longer subject to any limit.

AO 1975-8 (40 FR 36746 August 21, 1975)

A Congressman may now actively or constructively accept a total of \$25,000 per calendar year in honoraria; no single honorarium may exceed \$2,000. The term "honorarium" does not include amounts accepted for actual travel and subsistence expenses for such person, his/her spouse or an aide, or any expenses incurred for agents' fees or commissions. An honorarium is excluded from the definition of "contribution" in 2 U.S.C. § 431(e).

AO 1975-9 (40 FR 36242 August 19, 1975)

Unopposed Congressional candidates in State primaries now have no expenditure limits.

AO 1975-10 (40 FR 40674 September 3, 1975)

(i) A candidate must designate a single checking account at a depository. The candidate and his/her committees may determine at their discretion to maintain any other account (e.g., checking, savings, certificate of deposit), but all contributions received must first be deposited into a checking account.

(ii) Expenditures made from a Senator's constituent service committee and re-election committee are no longer subject to expenditure limits.

AO 1975-11 (40 FR 42839 September 16, 1975)

The expenditure limitations of 2 U.S.C. § 441a(b)(1) apply to a dual presidential-senatorial candidate who chooses to receive Federal funds under chapters 95 or 96 campaign expenditures but the limitations in 2 U.S.C. § 441a(b) apply only to a Presidential candidate who has accepted public monies.

AO 1975-16 (40 FR 36242, August 19, 1975)

In non-election years, a candidate and his or her authorized committees are required to file quarterly reports only in those calendar quarters in which either the candidate or his authorized committees receive contributions or make expenditures, or both, the total amount of which, taken together, exceeds \$5,000.

AO 1975-20 (40 FR 45292, October 1, 1975)

(i) Disbursements by political committees which are not the authorized committees of a candidate for voter registration drives and get-out-the-vote drives expressly advocating the election or defeat of a clearly identified candidate may be made without limit provided such expenditures are independent (i.e., made without cooperation or consultation with any candidate, authorized political committee or agent, and without the request or suggestion of the same). If

independent expenditures exceed \$100, the person making the expenditure must file a statement with the Commission pursuant to 2 U.S.C. § 434(e), as amended.

(ii) Independent expenditures for educational campaign seminars associated with the advancement of a particular candidate are to be treated as in (i) above.

(iii) If dairy farmers or cooperative employees undertake volunteer campaign work on a visit to a Federal official, reimbursed travel expenses are an "in-kind contribution to the candidate, rather than an independent expenditure."

(iv) Refunding of travel expenses to attend fundraising dinners/political rallies, if independent of a candidate, or any authorized political committee, is no longer subject to an independent expenditure limit.

(v) Honoraria: See summary to AO 1975-8.

AO 1975-22 (40 FR 45292, October 1, 1975)

The costs incurred in connection with a solicitation of funds by a Congressional candidate, with the candidate's authorized committees or agents are no longer subject to the 20% expenditure exemption. Any person who solicits of that candidate, is no longer subject to any independent expenditure limitation.

AO 1975-23 (40 FR 56584, December 3, 1975)

A corporate political action committee (PAC) may solicit political contributions from the corporation's executive or administrative personnel, stockholder and their families as often as it wishes. A union PAC may solicit at will from its members and their families. The PAC may no longer solicit the general public.

Twice a year, a corporation may solicit all employees and the labor union all corporate personnel and stockholders. Any employee so solicited must be informed of his/her right to refuse to contribute without reprisal and that the purpose of the solicitation is political. The solicitation must be made by mail and designed so that the corporation, union or PAC undertaking the solicitation cannot determine the identity of contributions of \$50 or less. Any corporation that utilizes a method of soliciting contributions must make that method available to the related labor organization at costs and upon written request.

2 U.S.C. § 441b. Part 114 of the Federal Election Commission's proposed Regulations deals with this complex subject.

AO 1975-27

Legal/accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with the Act are no longer applicable to contribution or expenditure limitations (unless the person paying for the services is not the regular employer of the attorney/accountant). Any such expenses must be reported pursuant to 2 U.S.C. § 434(b).

AO 1975-28

Expenditures made with respect to a Senator re-election campaign, are no longer subject to limitation. However, the unreimbursed costs of an appearance on behalf of another candidate continue to be a contribution in-kind subject to a \$1,000 limit.

AO 1975-29 (40 FR 51352 November 4, 1975)

If a State committee, in addition to exercising control over a county committee, has established or maintains or finances the county committee, any contributions by the county committee will also count as contributors from the state committee.

AO 1975-30 (40 FR 51353, November 4, 1975)

Expenditures made by a Congressional candidate or his/her principal campaign committee for purposes of purchasing newspaper subscriptions or travel expenses incurred in connection with a political appearance in the district are no longer subject to limitation.

AO 1975-32 (40 FR 55599, November 28, 1975)

A political committee which is not a multi-candidate committee may contribute:

(i) an aggregate of \$20,000 per year to each of the political committees established and maintained by a national political party which are not the authorized political committees of any candidate, and

(ii) an aggregate of \$5,000 per year to any other political committee, except to a committee making independent expenditures for only one candidate, in which case the limit is \$1,000, assuming that the contributing committee has contributed nothing directly to that candidate.

A multi-candidate committee may contribute, to the same groups, respectively, (i) \$15,000, (ii) \$5,000, but if the multi-candidate committee has given \$5,000 to a committee making independent expenditures for only one candidate, the contributing committee may not give anything additional to that candidate directly. 2 U.S.C. § 441a(a)(2).

AO 1975-33 (41 FR 1862, January 12, 1976)

Fundraising expenses of a presidential candidate above the 20% exemption from expenditure limits are no longer subject to restriction, unless the candidate chooses to receive Federal funds under chapters 95 or 96 of the Internal Revenue Code, 2 U.S.C. § 441a(b).

AO 1975-44 (41 FR 3832, January 26, 1976)

Expenditures by a candidate's authorized political committees and expenditures on behalf of a candidate are no longer limited, except in the case of a presidential candidate receiving Federal

funding under chapters 95 or 96 of the Internal Revenue Code.

AO 1975-45 (40 FR 53723, November 19, 1975)

All contributions made by political committees established, financed, maintained or controlled by any corporation, labor organization or any other person (including any subsidiary, branch, division, department or local unit) will be treated as contributions from a single political committee. 2 U.S.C. § 441a(a)(5).

AO 1975-46 (40 FR 57756, December 11, 1975)

See summary to AO 1975-8.

AO 1975-49 (40 FR 55600, November 28, 1975)

For recordkeeping purposes, every person who receives a contribution in excess of \$50 for a political committee must render account pursuant to 2 U.S.C. § 432(b), as amended. In addition, the 20% fundraising exemption is no longer relevant.

AO 1975-50 (40 FR 58492, December 16, 1975)

See summary to AO 1976-6.

AO 1975-53 (40 FR 58392, December 16, 1975)

Expenditures incurred in a petition effort by an independent candidate for the Senate are no longer subject to limitation.

AO 1975-54 (40 FR 58802, December 18, 1975)

Congressional candidates are not subject to a campaign expenditure limitation during the period in which the candidate seeks nomination, whether the process includes a convention, primary or other procedure.

AO 1975-57 (40 FR 51611, November 5, 1975)

Loans by a candidate to his/her campaign committee are no longer subject to limitation. (However, the loans of a Presidential candidate who accepts public monies are attributable to \$50,000 ceiling on personal expenditures.)

AO 1975-62 (40 FR 52795, November 12, 1975)

Except in the case of a Presidential candidate who accepts public monies, payments made to defray the costs of a fundraising dinner and other fundraising activities are no longer subject to the 20% exemption from expenditure limitations or to any expenditure ceiling whatsoever.

AO 1975-63 (40 FR 58397, December 16, 1975)

See summary to AO 1975-8.

AO 1975-65 (40 FR 58393, December 16, 1975)

Except for Presidential candidates who have accepted public monies, Federal

candidates are no longer limited in expenditures from personal assets. Such presidential candidates may not expend more than \$50,000 per election from personal assets. Personal assets include funds of immediate family members over which the candidate exercised access and control prior to candidacy. Contributions from funds under the control of immediate family members of the candidate are subject to the normal contribution limits.

AO 1975-67 (40 FR 52795, November 12, 1975)

The Commission now has jurisdiction to enforce 18 U.S.C. § 612 (now 2 U.S.C. § 441d, as amended).

AO 1975-74 (40 FR 51353, November 4, 1975)

No person may contribute more than \$20,000 in a calendar year to the political committees established and maintained by a national political party, which are not the authorized political committees of any candidate.

AO 1975-78 (40 FR 53722, November 19, 1975)

Since there no longer exist any expenditure limits except for presidential candidates receiving public financing, the 20% exemption from the definition of expenditure no longer has any relevance.

AO 1975-81 (41 FR 3834, January 26, 1976)

Contributions by any person (including multi-candidate committees) to a political committee other than political committees established by national political parties under the 1971 Federal Election Campaign Act, as amended, are limited to \$5,000 in any calendar year. 2 U.S.C. § 331a (a) (1) (C), (a) (2) (C).

AO 1975-82 (40 FR 57757, December 11, 1975)

See summary to AO 1975-6.

AO 1975-84 (40 FR 60163, December 31, 1975)

The amount of an honorarium no longer includes the amounts accepted or paid for speaking bureaus' or other agents' fees or commissions. 2 U.S.C. § 441i.

AO 1975-87 (41 FR 2940, January 20, 1976)

Costs of meals and hotel accommodations incurred by Congressional candidates attending a conference on campaigning and paid from campaign (or other non-personal) funds are no longer subject to any expenditure limitation.

AO 1975-97 (40 FR 55601, November 28, 1975)

See summaries to AO 1975-49 and AO 1975-78.

AO 1975-98 (41 FR 4492, January 29, 1976)

Costs of airplane trips to Congressman's district and of advertisements in

a program or newspaper are no longer subject to expenditure limitations.

AO 1975-105 (40 FR 60164, December 31, 1975)

There no longer exists any limits on expenditures by a candidate except for presidential candidates accepting public financing.

AO 1975-106 (40 FR 60164, December 31, 1975)

See summary to AO 1975-6.

AO 1975-108 (41 FR 5752, February 9, 1976)

The costs incurred by candidates of the Labor party (except candidates for the presidency who accept public monies) in making non-party appearances before an audience of which a substantial number comes from his/her electorate are no longer subject to campaign expenditure limits.

AO 1975-111 (41 FR 5755, February 9, 1976)

Funds given by a Congressional candidate to candidates in State and local elections, even if "expenditures", and an advance from a candidate's personal funds for the purpose of campaign items are no longer subject to limitation.

AO 1975-129 (41 FR 5755, February 9, 1976)

A political committee which is not the authorized committee of a candidate may accept unearmarked contributions of \$5,000 from any person in a calendar year. If the political committee is established and maintained by a national political party and is not an authorized committee of any candidate it may accept contributions of \$20,000 from persons other than multicandidate committees and may accept contributions of \$15,000 from multicandidate committees.

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WEDNESDAY, OCTOBER 20, 1976



PART IV:

DEPARTMENT OF COMMERCE

**Economic Development
Administration**

■

LOCAL PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT PROGRAM

Republication

Title 13—Business Credit and Assistance
CHAPTER III—ECONOMIC DEVELOPMENT
ADMINISTRATION, DEPARTMENT OF
COMMERCE

PART 316—LOCAL PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT PROGRAM

Republication

Pursuant to the authority vested in section 107 of Title I of the Public Works Employment Act of 1976 (42 U.S.C. 6701 et seq.), the Economic Development Administration hereby republishes Part 316 of Title 13, Code of Federal Regulations.

The purpose of this republication of Part 316 is to combine the numerous amendments which have been made to the part since it was published on August 23, 1976 (41 FR 35670 as amended at 41 FR 36637, 41 FR 38996, and 41 FR 45128). The republication is editorial in nature and is being done for the readers' convenience.

Part 316 combining the numerous amendments made thereto since August 23, 1976, reads as follows:

Sec.	Purpose.
316.1	Purpose.
316.2	Definitions.
316.3	Applicants.
316.4	Direct grants.
316.5	Supplemental grants.
316.6	Limitations on grants.
316.7	Priority of projects.
316.8	Allocation of program resource levels to regional offices.
316.9	Determination of unemployment rates.
316.10	General considerations and requirements for financial assistance.
316.11	Compliance with other Federal requirements.
316.12	Acceptance of applications.
316.13	Lease of project facilities.
316.14	Environmental considerations.
316.15	Final determination.
316.16	Termination.

AUTHORITY: Title I, Pub. L. 94-369 (July 22, 1976); 42 U.S.C. 6701 et seq.; 90 Stat. 999; and Department of Commerce Organization Order 10-4 (September 30, 1975), as amended (40 FR 56702, as amended at 40 FR 58878 and at 41 FR 35548).

§ 316.1 Purpose.

The purpose of this part is to set forth the requirements and procedures pursuant to which eligible applicants may receive grants under Title I of the Public Works Employment Act of 1976, which is entitled the "Local Public Works Capital Development and Investment Act of 1976."

§ 316.2 Definitions.

"Assistant Secretary" means the Assistant Secretary of Commerce for Economic Development or his delegate.

"General purpose unit of local government" means any city, county, town, parish, Indian tribe, school district or any other "unit of general local government" as included within the definition of that term by section 104 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4201 et seq.).

"Indian tribe" means the governing body of a tribe, nonprofit Indian corporation (restricted to Indians), Indian

authority or other tribal organization or entity or Alaskan native village.

"Initiation of construction" means that notice to proceed or its equivalent has been issued or on-site labor has begun, except where on-site labor has commenced on the project but the project was abandoned due to lack of funds or where the project is to expand or modify a completed facility which has integrity in and of itself.

"Local Public Works Act" means the "Local Public Works Capital Development and Investment Act of 1976," which is Title I of the Public Works Employment Act of 1976.

"Local government" means any city, county, town, parish, or other political subdivision of a State (including local school districts), and any Indian tribe.

"Maintenance costs" means costs that are incurred for any necessary repairs or upkeep of property which neither adds to the permanent value of the property or appreciably prolongs its intended life, but rather keeps it in an efficient operating condition.

"Political subdivision of a State" means the agencies, instrumentalities and authorities established or authorized by State law including, but not limited to, special districts and regional authorities formed by local governments.

"Public works" means public facilities including, but not limited to, municipal offices, courthouses, libraries, schools, police and fire stations, detention facilities, water and sewer lines, streets and roads (including curbs), sidewalks, lighting, recreational facilities, convention centers, civic centers, museums, and facilities.

"Renovation, repair or other improvements" means only those activities which either substantially or appreciably increase the value or prolong the life of a public facility and excludes those activities which keep the public facility in ordinary efficient operating conditions during its probable useful life.

"State" includes the several States, the health, education and social service District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam and American Samoa.

§ 316.3 Applicants.

A State or a local government, as defined in § 316.2 of this part, is eligible for assistance under the Local Public Works Act.

§ 316.4 Direct grants.

(a) The Assistant Secretary may make direct grants to any State or local government for construction (including demolition and other site preparation activities), renovation, repair, or other improvement of local public works projects, including those for which Federal financial assistance is authorized under provisions of law other than the Local Public Works Act. Such grants may include funds for the completion of plans, specifications and estimates where additional architectural and engineering work or related planning is required to permit construction of the project under this section.

(b) Applications under this section will be approved only if the applicant submits with its application, if applicable, and required by EDA, a written certification from the other Federal agency/agencies primarily concerned with projects of the type involved in the application that the project meets all applicable Federal statutory and regulatory requirements to the extent necessary to assure the utilization of the project for the services intended.

(c) The Federal share of any project for which a grant is made under this section shall be 100 per centum of the cost of the project exclusive of any funds budgeted and available or otherwise specifically committed for the project by the applicant.

§ 316.5 Supplemental grants.

(a) The Assistant Secretary may make supplemental grants for the purpose of increasing the Federal contribution to 100 percent of the project cost (exclusive of any funds budgeted and available or otherwise specifically committed for the project by the applicant) for any Federally assisted public works project authorized by any Federal law other than the Local Public Works Act if the applicant submits with its application:

(1) A written certification from the other Federal agency/agencies that:

(i) Federal financial assistance for the project has been approved and the funds are immediately available for the project;

(ii) The project meets all applicable Federal statutory and relevant related requirements; and

(2) Its written certification that actual construction of the project has not yet been initiated because of lack of funding for the non-Federal share.

(b) The Assistant Secretary also may make grants in an amount necessary to provide all or part of the required State or local share (but not both shares) of the cost of any public works project for which financial assistance is authorized by State or local law requiring such contribution if the applicant submits with its application a written certification from the appropriate authority that:

(1) The share of financial assistance not applied for has been properly approved and is immediately available for the project;

(2) The project meets all applicable statutory and other relevant requirements of law; and

(3) Construction of the project has not yet been initiated.

(c) Grants under this section may include funds for the completion of plans, specifications, and estimates where additional architectural and engineering work or related planning is required to permit construction of the project under this section.

§ 316.6 Limitations on grants.

(a) *Canals and watercourses.* No grant shall be made under this part for any project having as its principal purpose and permanent effect:

(1) The channelization, damming, diversion, or dredging of any natural watercourse, or

(2) The construction or enlargement of any canal except a canal or raceway designated for maintenance as an historic site.

(b) *Real property.* No part of any grant made under this part shall be used for the acquisition of any interest in real property.

(c) *Maintenance.* No part of any grant made under this part shall be used for the payment of maintenance costs in connection with a project constructed (in whole or in part) with Federal financial assistance under the Local Public Works Act.

§ 316.7 Priority of projects.

(a) *Allocation of funds.* (1) In making grants under this part, when the average national unemployment rate for the three most recent consecutive months for which data is available from the United States Department of Labor, has been at least 6½ percent:

(i) Seventy percent of all amounts appropriated to carry out the Local Public Works Act shall be allocated for project applications submitted by State or local governments whose average unemployment rate for the three most recent consecutive months for which information is available exceeds the average national unemployment rate for the same period of time. The Assistant Secretary shall expedite and give priority to applications in this category.

(ii) The remaining thirty percent of all amounts appropriated to carry out the Local Public Works Act shall be available for distribution according to priority as listed below:

(A) Project applications submitted by State or local governments whose average unemployment rate for the three most recent consecutive months for which information is available is more than 6½ percent but not more than the average national unemployment rate for the same period of time, and

(B) Project applications submitted by State or local governments whose average unemployment rate for the three most recent consecutive months for which information is available is 6½ percent or less. These project applications will be considered only when funding of such projects is necessary to fulfill the minimum funding level required for each State or if funds are available in the 30 percent category.

(b) *State limitations:* Not less than one-half of one percent or more than twelve and one-half percent of all amounts appropriated to carry out the Local Public Works Act shall be granted for local public works projects within any one State, except that not less than one-half of one percent of the total of all funds appropriated for this part shall be granted for public works projects in Guam, the Virgin Islands, and American Samoa, in the aggregate.

§ 316.8 Allocation of program resource levels to regional offices.

(a) *Regional allocations.* To assist in the orderly utilization of program resources, the Assistant Secretary will assign to each regional office a target level of anticipated project assistance for the total of all areas served by that regional office. Such regional allocations of program resources shall be based on appropriation apportionments available to EDA and shall be calculated on a formula basis reflecting the relative numbers of unemployed persons in the States served by the regional office and the level of unemployment rates in those States.

(b) *State planning ceilings.* Regional offices shall observe with respect to each State served by it a ceiling on project approval recommendations. The allocation of funds to regions and States will be made after the funds have been apportioned to EDA and will be based on unemployment data available at that time. EDA will announce the date on which the funds are apportioned and the allocation is made. The formula by which the planning ceiling for each State will be established is as follows:

Subject to program administrative costs and statutory minimum and maximum amounts allocated to individual States by the legislation, 65 percent of the funds will be set aside as planning ceilings for individual States based on the share of unemployed workers residing in a State of the total national unemployed; 35 percent of the funds will be set aside as planning ceilings to individual States based on the relative severity of unemployment for each State above the composite unemployment rate for all States.

(c) It is to be understood that the planning ceiling assigned to each State is not to establish an entitlement to any minimum level of project assistance within that State (unless such is the statutory maximum or minimum) but is adopted only for the purpose of furthering the objective of assuring that adequate consideration is given to the relative needs of various sections of the country. Where the planning ceiling calculated on the formula basis is less than the statutory minimum assured for each State the statutory minimum shall be the planning ceiling, and where the planning ceiling calculated on the formula basis is greater than the statutory maximum for any State the statutory maximum shall be the planning ceiling.

(d) 120 days after the date on which funds are first apportioned for program assistance under the Act and at any time thereafter the Assistant Secretary may reconsider the regional allocations and State ceilings previously established and make such adjustments as are determined to be reasonable in achieving the purposes of the Act.

§ 316.9 Determination of unemployment rates.

(a) The average unemployment rate for the three most recent consecutive months for which data is available for

a State or local government applicant under this part may be determined from information obtained in the following order:

(1) *The United States Department of Labor.* (i) EDA's Qualification Division has provided to EDA's Regional Offices and Economic Development Representatives a list, prepared by the United States Department of Labor, which shows the average unemployment rate for the three most recent consecutive months for:

- (A) The entire nation;
- (B) Each State; and
- (C) Where available, "identifiable" local governments.

(ii) On or before September 15, 1976, EDA's Qualification Division will provide to EDA's Regional Offices and Economic Development Representatives a list, prepared by the United States Department of Labor, which will show the average unemployment rate for the three most recent consecutive months for approximately 1,000 counties throughout the nation.

(iii) The above lists will be updated and expanded if and when more information is obtained from the United States Department of Labor.

(2) If not available from the United States Department of Labor the average unemployment rate for the three most recent consecutive months for which information is available shall be obtained from the State employment security agency.

(3) Indian tribes shall submit information from the Bureau of Indian Affairs of the United States Department of Interior or other appropriate sources acceptable to the Assistant Secretary.

(b) If requested by an applicant, the unemployment rate of a local government shall be based upon the unemployment rate of any community or neighborhood (defined without regard to political or other subdivisions or boundaries) within the jurisdiction of such local government, except that any grant made to a local government based upon the unemployment rate of a community or neighborhood within its jurisdiction must be for a project of direct benefit to, or provide employment for, unemployed persons who are residents of that community or neighborhood. The applicant shall apply to the State employment security agency for the average unemployment rate for the three most recent consecutive months for which data is available. The data obtained from the State employment security agency will be accepted by the Assistant Secretary.

(c) If requested by an applicant, in determining the unemployment rate of a local government, unemployment in those adjoining areas from which the labor force for a project may be drawn shall be taken into consideration.

(d) The Assistant Secretary has obtained from all State employment security agencies their cooperation to provide all applicants, other than Indian tribes, with unemployment data.

(e) EDA will not accept an unemployment rate determination that is based on data obtained for a time period which is longer than twelve months prior to the date of the application as stated therein.

(f) The unemployment rate established by one of the procedures above, will determine whether the area qualifies for the 70 percent or 30 percent category as described in § 316.7 above.

(g) No data regarding unemployment rates for time periods after the date of the application as stated therein, may be changed.

§ 316.10 General considerations and requirements for financial assistance.

(a) *Project selection procedure*—(1) *Considerations.* In line with the purposes and objectives of the Act, EDA's goal of choosing projects having the greatest potential for furthering these purposes and objectives, the relative importance of various factors in determining this potential, and the availability and consistency of data specified in the Act, the following project selection procedures have been adopted.

(2) *Project selection formula.* The ranking procedure developed for selecting projects within each State's planning allocation uses those project and area factors that will contribute most to achieving substate equity in the distribution of planning funds and insures that the relatively more economically efficient projects are selected. All factors will be standardized for comparability purposes and assigned policy weights to reflect their importance in the ranking procedure.

(i) *Basic rank.* The basic rank of a project will be determined by the following factors:

(A) The number of unemployed workers in the project area averaged over the three most recent months for which data is available. An area characterized as having a high unemployment rate overall is generally characterized as having a high unemployment rate in the construction industry. Similarly, an area characterized as having a large number of unemployed overall is generally characterized as having a relatively large number of unemployed construction workers as a share of the overall unemployed. Therefore, this factor gives consideration to construction unemployment. This factor will constitute 30 percent of a project's basic rank.

(B) Severity and duration of unemployment, as measured by the unemployment rate prevailing in the project area averaged over the last three months for which data is available. This factor will constitute 25 percent of a project's basic rank.

(C) The relationship of labor cost to total project cost, defined as the ratio of total wages to total project cost. In formulating project proposals, applicants should bear in mind the intent of the Act to reduce unemployment generally, and to give due consideration to the amount of unemployment and underemployment in the construction and construction-related industries. As previously indicated, projects eligible for

funding would include, but are not limited to, such local public works projects as municipal offices, courthouses, libraries, schools, police and fire stations, detention facilities, water and sewer lines, streets and roads, civic centers, museums, health, education and social service facilities, convention centers, and the upgrading of existing facilities through renovation, repair, and other related improvements. To implement the legislative objective of assisting the construction and construction-related industries: (1) projects having labor costs greater than 35 percent of total project costs, but not more than 80 percent, will receive the maximum score for this factor; and (2) projects having labor costs ranging from 10 to 35 percent of total project costs will be ranked according to their respective percentages, with projects having 35 percent receiving the maximum score for this factor. Finally, it should be emphasized that supplemental assistance provided for under the Act will be considered as part of the total project costs; the latter is defined as funds from all sources, whether Federal, State, or local. The relationship of labor cost to total project cost will constitute 30 percent of a project's basic rank.

(D) The level of income prevailing in the project area (which for purposes of this factor is defined as the applicant's jurisdiction). This factor will constitute 15 percent of a project's basic rank.

(ii) *Additional considerations.* A project's basic rank will be increased if the project meets one or more of the following criteria:

(A) Exhibits potential for providing long-term benefits. The basic rank of a project will be increased up to a maximum of 10 percent if it meets this criterion. The amount of increase will be determined by the nature and extent of the long-term benefit(s) to be provided by the project.

(B) Is sponsored by a general purpose unit of local government, as defined in § 316.2 above. Projects meeting this criterion will have their basic ranks increased by five percent.

(C) Is sponsored by a special purpose unit of local government or a political subdivision of a State. Projects meeting this criterion will have their basic ranks increased by three percent.

(D) Relates to existing approved plans and programs of a local community development or regional development nature or promotes or advances longer range plans and programs. The basic rank of a project meeting this criterion will be increased by five percent.

(iii) *Final rank.* The final rank of a project is to be determined by summing the basic rank and increases attributable to the additional considerations defined above.

(3) *Application of project selection formula*—(i) *Geographic considerations.* Projects will be ranked and assessed relative to other projects submitted from the same State until such time as the Assistant Secretary determines, pursuant to paragraph (a) (2) of this section, that comparison of projects submitted from

different States is required to either further the purposes and objectives of the Act or to comply with statutory requirements.

(ii) *Priority considerations.* Within each State, projects submitted from areas with an unemployment rate exceeding the national average for the most recent consecutive three months will be ranked and compared only with projects submitted from other areas in this priority category. Similarly, projects submitted by areas with an unemployment rate below the national average for the most recent consecutive three months will be ranked and compared only with projects submitted from other areas in the same priority category. Applicants who anticipate the project labor requirements will draw upon the unemployed and underemployed labor resources of other jurisdictions outside the immediate project area (such as a multi-county area) will be given priority consideration on the basis of the unemployment rate prevailing in the extended geographical (labor market) area. Similarly, the basic rank computations discussed above will be computed in aggregate on data provided for the extended geographical area.

(iii) *Project selection.* Within each State and priority category, projects will be selected until the State planning allocation has been exhausted or until such time as the Assistant Secretary determines that the remaining funds made available under the Act must be reallocated among the States. In selecting projects for funding, the Assistant Secretary shall give primary consideration to the final rank of a project. However, the Assistant Secretary may approve projects which rank below other projects as may be necessary to avoid an undue geographic concentration of program assistance in any particular area or areas of a State or as may be necessary to meet the required distribution of program resources between the statutorily mandated priority classes or when the sum of the total project labor requirements in a project area exceeds the available labor.

(b) An application shall be rejected unless:

(1) It is properly prepared on appropriate forms prescribed by the Assistant Secretary.

(2) It contains one of the following:

(i) Information showing that the area conforms to an area for which United States Department of Labor unemployment statistics are available; or

(ii) Unemployment information from the appropriate State unemployment security agency.

(3) It contains a certification by the applicant that construction on the project has not yet been initiated;

(4) It contains assurances, satisfactory to the Assistant Secretary, that on-site labor can begin within ninety days of project approval;

(5) Where applicable, it relates the proposed project to existing approved plans and programs of a local community development or regional development nature so as to avoid harmful or costly inconsistencies or contradictions;

(6) It contains evidence, where feasible, that the proposed project will promote or advance longer range plans and programs;

(7) It contains adequate assurances that all laborers and mechanics employed by contractors or subcontractors on the proposed project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5).

(8) It contains adequate assurance by the applicant and by any "other parties" as defined in 15 CFR Subtitle A, Part 8, that no person shall, on the grounds of race, color, sex, or national origin, be excluded from participation in, be denied the benefit of, or be subjected to discrimination under the proposed project; and an assurance that it is not involved in any civil rights litigation or if it is involved in a lawsuit or Federal administrative action alleging discrimination it shall provide a brief narrative description of the action alleging discrimination and its outcome.

(9) It contains certification, by the properly authorized official of the Federal agency or State or local government, that no funds budgeted and available or otherwise specifically committed for the project applied for in its application shall be reduced, diminished, or replaced by funds requested under this part.

(10) It is, in the opinion of the Assistant Secretary, accurate and complete.

(c) Applicants should be advised that false representations and/or certifications in connection with applications for assistance under this part may be the basis for criminal liability under title 18 of the United States Code.

(d) No cost overruns for public works projects previously funded under this part will be approved.

(e) Project costs for administration, plans, specifications, estimates or other A/E costs, which have been incurred prior to the date of application, will not be funded.

(f) Applications will not normally be approved where any of the following conditions exist:

(1) The applicant has not obtained rights to the project site, including easements and rights-of-way, in one of the following ways:

(i) The eligible applicant owns the project facility and/or site clear of any encumbrances;

(ii) The eligible applicant holds a noncancellable long-term lease on the project facility and/or site which is defined as 20 years or the useful life of the facility, whichever is longer; or

(iii) The eligible applicant holds a clearly enforceable option through time of grant approval to purchase the project facility and/or site and demonstrates that it has sufficient funds available to complete the purchase.

(2) The project request is for a supplemental to another Federal, State or local grant which has not been approved by the applicable grant agency.

(3) The project's labor requirements equal or exceed one-third of the project area's unemployed labor force.

(g) The maximum amount of financial assistance made available under this part should not exceed \$5 million for each project; however, the Assistant Secretary may, in his discretion, waive this policy for good cause.

(h) Projects with extremely high ratios of labor costs to total project costs (greater than 80 percent) and projects with extremely low ratios of labor costs to total project costs (less than 10 percent) will be rejected and denied.

§ 316.11 Compliance with other Federal requirements.

Each applicant shall, as a condition to its receipt of a grant under this part, comply with the following relevant Federal requirements:

(a) All labor standards including those relating to the payment of wages, working conditions, anti-kickback prohibitions and equal employment as provided 13 CFR 309.6;

(b) Those concerning relocation and related payments to all persons displaced as a result of the development of a public works project with funds received under this part, as provided for in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. 4601 *et seq.*, and 13 CFR Part 310;

(c) If the project involves a detention facility, those sections of Part E of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, found at 42 U.S.C. 3750 b(1) and (4)-(9);

(d) The provisions of OMB Circular A-95, except during the first ninety days after EDA begins receiving applications when the following procedures shall apply:

(1) Applicants must submit their full applications or notifications of intent to apply to the appropriate clearinghouse as early as possible.

(2) Upon submission of an application to EDA, the applicant must certify that he has submitted the full application to the appropriate clearinghouse.

(3) EDA may begin processing the application upon its receipt but will make no final approval of an application until 30 days after its receipt unless clearinghouse response is received before 30 days have elapsed.

(4) During the first ninety days, applications received by EDA need not have State application identifier numbers.

(5) Clearinghouse comments will be submitted directly to EDA; EDA will consider such comments until it has finished processing the application.

(e) All environmental requirements, to the maximum extent possible, as determined by the Assistant Secretary, including, but not limited to:

(1) The National Environment Policy Act of 1969, as amended (42 U.S.C. 4321 *et seq.*); and EDA's requirements found in § 316.13 below;

(2) The Clean Air Act, as amended (42 U.S.C. 1857-1858a);

(3) The Federal Water Pollution Control Act, as amended (33 U.S.C. 1251-1376);

(4) The National Historic Preservation Act of 1966 (16 U.S.C. 470 *et seq.*) and EDA's requirements found in § 316.13 below;

(5) The Wild and Scenic Rivers Act (16 U.S.C. 1271-1287);

(6) The Endangered Species Act of 1973 (16 U.S.C. 1531 *et seq.*);

(7) The Historical and Archeological Data Preservation Act, as amended (16 U.S.C. 469 *et seq.*).

(f) 13 CFR 309.9, entitled "Records and Audit;"

(g) 13 CFR 309.27, entitled "Land use near Federal airfields;"

(h) 13 CFR 309.14, entitled "Design, construction, and alteration of buildings to accommodate the physically handicapped;"

(i) 13 CFR 309.26, entitled "Project modification;"

(j) 13 CFR Part 314, entitled "Property management standards," except 13 CFR 314.6(a), 13 CFR 314.6(b), and 13 CFR 314.50.

(k) The National Flood Insurance Program and EDA's requirements regarding flood hazards found at 13 CFR 309.15; and

(l) Other laws affecting this program.

§ 316.12 Acceptance of applications.

(a) Applications for assistance under this part shall only be submitted to the appropriate EDA Regional Office, as provided in 13 CFR 301.31.

(b) Applications shall be recorded and deemed received upon their arrival at the appropriate EDA Regional Office.

(c) EDA shall endeavor, within five working days from the date the application is actually received by the appropriate Regional Office, to determine whether the application has been completely and properly prepared, and contains accurate unemployment rates. An application may be rejected (denied) unless it contains full and accurate information including the requirements of § 316.10 above. By the end of the fifth working day after the date the application was received, the Regional Director should notify the applicant if the application has been rejected, and state what is needed to properly complete the application. However, EDA reserves the right during the 60 day period after receipt of an application to reject an application for substantially being incomplete, improperly prepared, or otherwise failing to meet the requirements of this part.

§ 316.13 Lease of project facilities.

(a) The project facility may be leased by the grantee to a non-profit operator providing the applicant maintains a continuing significant economic interest in the project and is not acting simply in a passive role for a prospective lessee, and such facility is used for the purpose of the grant.

(b) The project facility may be leased by the grantee to a profit making operator provided all of the following conditions are met:

(1) The lease is incidental to the project and not its principal purpose;

(2) The lease does not change the public nature or character of the purpose of the project as a whole; and

(3) The applicant maintains a continuing significant economic interest in the project and is not acting simply in a passive role as applicant for a prospective lessee.

§ 316.14 Environmental considerations.

(a) *The National Environmental Policy Act.* (1) Since the Local Public Works Act requires applications to be processed within 60 days of their acceptance, EDA will not be able to prepare environmental impact statements for those projects which may significantly affect the quality of the human environment. However, to the fullest extent possible within this time period, EDA will analyze a project's potential environmental impacts and give appropriate consideration to environmental impacts in making its final decision.

(2) In order that EDA may conduct its environmental analysis of proposed projects, applicants shall include the following materials with their application, except with respect to subsections c and d if such materials are not available in which case the applicant must so certify:

(i) a description of those elements of the proposed project which will have an impact on the environment, the nature of the environment which will be affected; and data on the expected environmental impact;

(ii) alternatives to the proposed project;

(iii) any environmental analysis previously conducted by local, State, federal agencies; and

(iv) evidence of public reaction to the project, such as transcripts of local public hearings held on the proposal.

(3) EDA will independently review and analyze environmental information submitted by applicants.

(4) Where appropriate, EDA, within the 60 day limit, may seek the views of other government agencies which have jurisdiction by law or special expertise with respect to any environmental impact involved.

(ii) If a project appears to be highly controversial for environmental reasons and there is a need to further understand the basis of the controversy, EDA may, within the 60 day limit, request the views of concerned residents through a newspaper notification or a public information meeting held near the project site.

(4) EDA shall deny an application if, after consideration of the benefits of a project against any environmental costs, it concludes that the environmental costs exceed the benefits. EDA may deny any application solely on the basis that its environmental impact analysis discloses that unacceptable adverse impacts will or are likely to result. EDA, where necessary, may condition approval of a project upon the adoption of specified measures designed to mitigate any adverse environmental impacts.

(b) *The National Historic Preservation Act.* (1) Applicants shall include with their applications either a statement of their State Historic Preservation Officer's views of the proposed project or shall certify that their State Historic Preservation Officer was provided with a detailed project description and request for comments prior to application's submission to EDA.

(2) If necessary, EDA will attempt to complete the coordination of proposed projects with the Advisory Council on Historic Preservation. EDA will use the results of this coordination process, even though completion of this process may not be possible, as a factor in making a final decision on the project.

(2) EDA will use the results of this coordination process, even though completion of the process may not be possible, as a factor in making a final decision on the project.

§ 316.15 Final determination.

(a) All applications for assistance under this part shall be processed by the appropriate EDA Regional Office.

(b) The Regional Director shall notify the applicant, in writing, when its application has been rejected and state the reasons therefor.

(c) The Regional Director shall forward to the Assistant Secretary in Washington, D.C., all applications which he

deems are properly completed and eligible for assistance under this part.

(d) The Assistant Secretary shall review all applications received from the Regional Directors and make the final determination.

(e) If no determination has been made by the end of the sixtieth day after the application was received as determined in § 316.12 above, the application will be deemed to be approved.

§ 316.16 Termination.

(a) An appropriate official of the grantee may request EDA to cancel or suspend or terminate a public works project approved under this part. This request must be accompanied by a certified resolution or ordinance authorizing the requesting party to make such request. Before agreeing to such request, EDA will determine the legal sufficiency of such request.

(b) EDA may initiate a cancellation or suspension or termination of a project approved under this part for failure by the grantee to adhere to the requirements of the grant.

(c) EDA may initiate a cancellation or suspension or termination of a project approved under this part whenever it determines that such cancellation or suspension or termination is in the best interest of the government. Cancellation or suspension or termination shall be effected by delivering a notice to the grantee specifying the extent of the cancellation of suspension or termination and the date upon which it becomes effective.

Effective date. These regulations became effective on August 23, 1976, and as amended on August 30, September 13, and October 14, 1976.

The Economic Development Administration has determined that this document does not contain a major proposal requiring preparation of an Inflation Impact Statement under Executive Order 11821 and OMB Circular No. A-107.

JOHN W. EDEN,
Assistant Secretary for
Economic Development.

OCTOBER 18, 1976.

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